



# Tourism Risk Management

An Authoritative Guide to Managing Crises in Tourism



**Asia-Pacific  
Economic Cooperation**

**DECEMBER 2006**

A Report Prepared By:

**APEC International Centre for  
Sustainable Tourism (AICST)**

Doone Robertson, Ian Kean, Stewart Moore

In partnership with:





This report is an initiative of the APEC International Centre for Sustainable Tourism (AICST). It is based on an earlier report entitled “Tourism Risk Management in the Asia Pacific Region – An Authoritative Guide to Managing Crises and Disasters” published in 2004.

The major partner in the project is the United Nations World Tourism Organization (UNWTO). The Pacific Asia Travel Association (PATA) is also a project partner.

### **Production Team**

The research, editorial and production team was led by Sustainable Tourism Services.

The principal writer was Doone Robertson, an experienced emergency management consultant and the Director of Studies at the Australian School of Emergency Management.

Other writers and researchers who assisted with this report are:

- Ian Kean, Executive Director of AICST, Australia
- Stewart Moore, Managing Director of Sustainable Tourism Services, Australia
- Yetta Gurtner, PhD Research Student from the Centre for Disaster Studies at James Cook University, in Australia
- Cara Holcombe, Project Manager at Sustainable Tourism Services, Australia
- Dr Jeff Wilks, Centre for Tourism and Risk Management at University of Queensland, Australia

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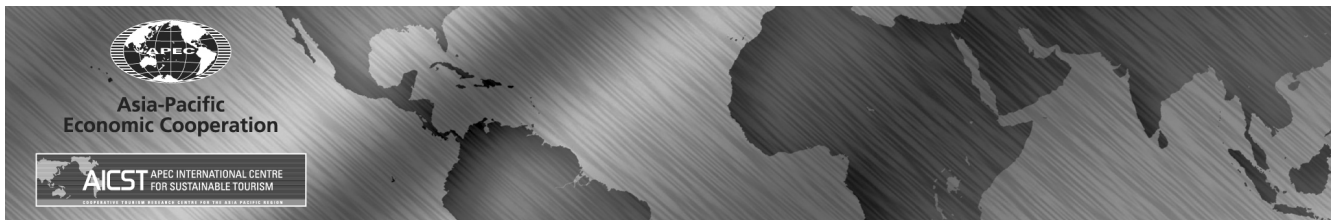
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## Foreword

The world travel and tourism industry only recently began to return to pre year 2000 levels of growth and stability following the series of tragic events which shook the foundations of the industry.

This second APEC report provides an essential guide on the processes associated with developing a risk management strategy for a tourism destination or business and how to implement and maintain these plans over time. Most importantly the guide provides a practical framework from which both businesses and destinations can apply crisis management strategies for prevention, preparedness, response and recovery.

The workshop training packages which accompany this guide have been designed to provide a platform to stimulate open information exchange and learning.

A central lesson in all the case study material contained in this guide is that, in times of crisis, residents and visitors need firm leadership and direction. Adequate planning for what has in the past been seen as the 'unexpected' can be the difference between a well-managed problem and a social and economic disaster. Through working with existing disaster management bodies, government agencies and key tourism stakeholders the tourism industry can learn to address risk management issues and reduce the impact of crises and disasters on the growth and viability of this important industry.

Developing effective relationships with the media and sharing information in a transparent way are critical issues. A full chapter of this report is dedicated to media and information management; so important are they in an age of almost instantaneous communication.

We look forward to working with our key partners in taking forward the recommendations and guidelines contained within the workshop manuals and this guide.

Sir Frank Moore AO

**Chair**

**APEC International Centre for Sustainable Tourism (AICST)**



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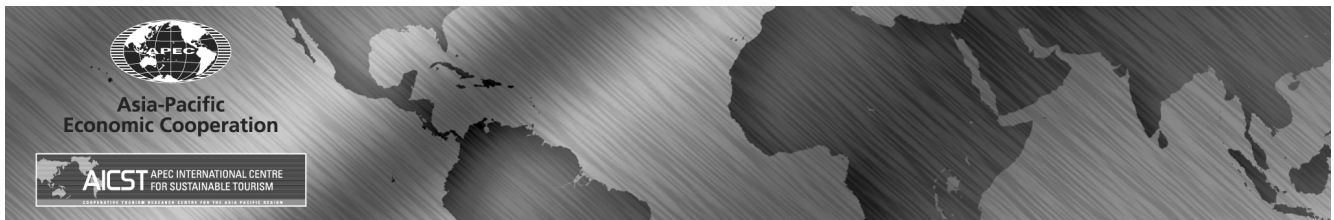
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## PREFACE

### Message of the Secretary-General of the World Tourism Organization, Francesco Frangialli

On behalf of the World Tourism Organization (UNWTO), I take this opportunity to congratulate the APEC International Centre for Sustainable Tourism (AICST) and the Australian Government on their undertaking of the Risk Management Project with an update of the earlier initiative of “Tourism Risk Management for the Asia-Pacific Region” published in 2004, by incorporating amongst others, the findings from the tsunami of 2004 and Hurricane Rita.

It is indeed pleasing to note that this report is being published in Indonesian, Thai, Chinese, and Vietnamese languages in addition to the English version. UNWTO will add a Spanish version to this collection in the near future. It is also commendable that AICST has developed risk management training modules including trainer’s guides that will further help the project.

UNWTO hopes that this initiative which is specific to Asia-Pacific will be a model for the rest of the world and that other regions will benefit from the experience and research of this project to develop their own systems, strategies and plans.

The present collaboration of UNWTO and AICST is a direct outcome of the Phuket Action Plan where crisis management was recognized as one of the five major areas of development for post-tsunami tourism recovery.

It is also noteworthy that UNWTO, having acquired significant experience in dealing with crises, both natural and man-made, has established a broader “Risk Management and Assessment Unit” at its headquarters so there could be a systematic sharing of facts in crisis management between Member States to which the AICST Risk Management Project will no doubt contribute in a significant manner. While extending my thanks to AICST I wish it all the success it so rightly deserves.

Francesco Frangialli





## INTRODUCTION

The purpose of this guide is to provide tourism industry members in Asia, the Pacific and beyond with an authoritative guide to risk management. Importantly, the generic risk management process has been adapted to the specific needs of tourism. The guide provides a practical framework within which tourism destinations can identify, analyse, evaluate, treat, monitor and review risks in the tourism context. Although the tourism risk management process has been developed for destinations, the same principles also apply to a tourism business or organization and can easily be adapted for their purposes.

Throughout this guide there are two fundamental roles for tourism in risk management: the first of these is as a partner with government and community agencies in the development of multi-agency, coordinated disaster management plans, systems, procedures and processes which include the needs of tourism; the second is to develop plans and procedures appropriate to a destination and to the specific roles and responsibilities of an organization, to train personnel to those plans, and to conduct regular tests of plans, procedures and personnel with subsequent amendment and update.

Although the tourism industry is not responsible for the development or implementation of community disaster management plans and arrangements, the guide recommends that destinations and tourism operators should, when possible, participate in disaster planning and management activities through appropriate local, regional or national committees. Such participation enables the importance of tourism to be drawn to the attention of disaster management agencies and promotes the need for appropriate measures to be established to protect visitors in times of crisis. Case studies of Hurricane Katrina and the Bali Bombings demonstrate how a community disaster can affect confidence in tourism and interfere with its ability to continue normal operations.

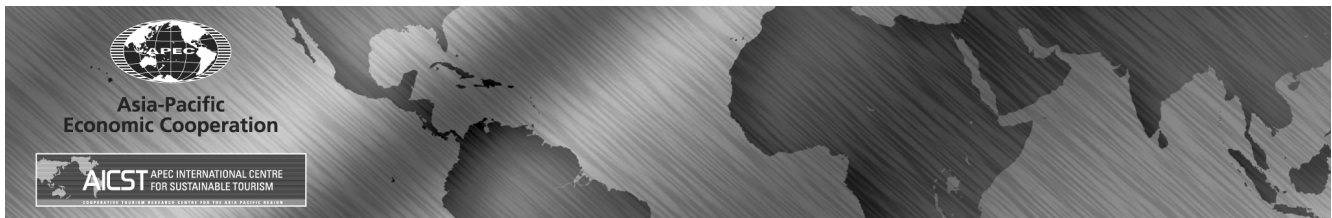
While each tourist destination is unique and will have different issues to deal with, there are key areas of risk management which are common across destinations. The most obvious is a dramatic drop in visitor numbers in which the impact is felt across a whole economy. While this guide presents case studies of recent events which have had a significant impact on tourism, the focus is on solutions rather than merely documenting past difficulties. The guide also provides checklists which will assist destinations and tourism businesses to adopt current risk management processes.

This guide draws on best practice from a range of sources within and outside the APEC group. Current knowledge and practical application are the objectives of the project, so that peak bodies (UNWTO, PATA, etc) can use material from this report for training and education programs. Recognizing the critical role of national governments in supporting and protecting tourist destinations, the guide also seeks to offer an authoritative guide that can be endorsed by governments.

### Chapter Summaries

In order to demonstrate the importance of tourism, Chapter 1 begins with an overview of the need to protect tourism, focusing particularly on the economic significance of the tourism industry to all economies. Selected case studies reinforce the value of tourism by showing the economic losses associated with adverse events.

Having established the importance of tourism for generating income, creating and sustaining jobs, encouraging foreign investment and facilitating trade opportunities, Chapter 2 then considers the key elements of crises and disasters and their effects upon tourism businesses/organizations and destinations and identifies the role of the tourism industry in risk management. The chapter provides a practical framework within which tourism destinations and businesses/organizations can identify, analyse, evaluate, treat, monitor and review risks and identifies the critical role of tourism operators in






contributing to the development and implementation of multi-agency disaster management plans and systems.

Chapter 3 identifies national governments' responsibilities for the development, coordination and implementation of policies relating to risk and disaster management, and for establishing strategic directions for risk and disaster management processes. It identifies the need for national tourism councils and highlights the benefits of an effective partnership between government agencies and the tourism industry. Critical elements of a National Tourism Safety and Security Plan and a National Tourism Incident Response Plan are examined and the need for business continuity plans identified. Arrangements to prepare for and respond to a terrorism event are discussed, and an overview of national disaster management arrangements in Asia and the Pacific is provided.

The crisis management strategies of prevention/mitigation, preparedness, response and recovery for tourism destinations are addressed in Chapter 4. It suggests the composition of and tasks for a crisis planning committee, identifies the key elements of a crisis response management plan, examines the training and exercising (testing) needs of a crisis management team, examines business continuity processes, and describes crisis recovery processes including debriefing. The chapter also highlights the need for tourism organizations and operators to work with relevant government agencies and community organizations to develop effective partnerships for crisis management.

Chapter 5 examines the role of the media and general information exchange (including the role of Travel Advisories) in the management of tourism crisis situations. Having a separate chapter on media and information issues reinforces the importance of each in crisis and disaster management.

Throughout this report the following symbols are used to assist the reader:

-  Case Study: An example to illustrate a concept or activity.
-  Checklist: A self-help tool to clarify points made in the text.
-  Summary: Draws together points raised in the text.

## Definitions used in this guide

In this guide, a *risk* represents a source of *potential* harm to an operator or a destination/community. *Risk management* is concerned with identifying and analysing the risks (the chance of something happening) to an organization or community and deciding what can or should be done to address these risks.

Risk management in the tourism context refers to the planning and implementation of processes directed towards managing the adverse effects of crises and disasters on tourism. It also addresses tourism's potential opportunities for the improvement in systems and procedures.

While risk management is essentially about anticipating and minimizing risks, *crisis* occurs when an unforeseen or unavoidable event *does* occur. According to PATA (2003) a crisis is defined as:

*'Any situation that has the potential to affect long-term confidence in an organization or a product, or which may interfere with its ability to continue operating normally.'*

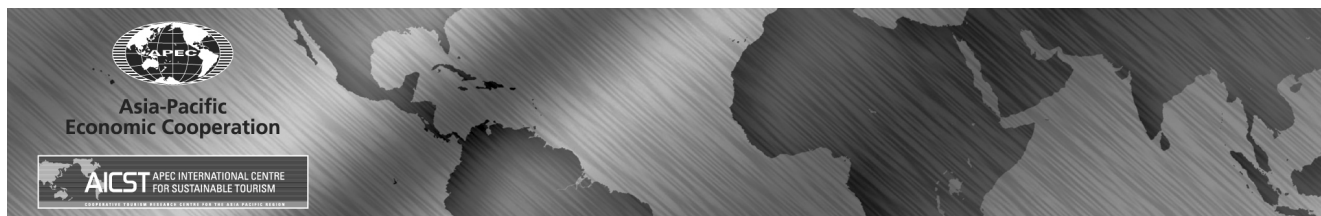
The term *crisis management* applies to the means by which a tourism business/organization or destination prepares for, responds to and recovers from a crisis.

The term *disaster* refers a serious disruption to a community which is of such magnitude that responding organizations, infrastructure and resources are overwhelmed and there is an inability to



return to normal without *external assistance*. Chapter 2 provides a detailed overview of disasters and how they relate to tourism.

A complete Glossary of Terms can be found in Appendix A.



## CHAPTER 1: PROTECTING TOURISM

### Aim of this Chapter

Tourism has become one of the major generators for social and economic growth in the world and one of the leading drivers of international trade. In order to gain the support of key decision-makers in government and industry it is critical that the value and importance of tourism for each destination is clearly articulated. The aim of this chapter is to highlight the importance of tourism for generating income, creating and sustaining jobs, encouraging foreign investment and facilitating trade opportunities for each of the 21 APEC economies within the regional trading bloc and worldwide. It also emphasizes the impact of world events on national economies and the business of tourism everywhere. This chapter is intentionally directed at national, state/provincial and local government officials who may not be fully aware of the economic value of tourism to their destinations, yet whose support is crucial to destinations having resources in place to manage risks to tourism.

### Profile of Tourism Worldwide

Travel and tourism - encompassing accommodation, transport, catering, recreation and visitor services - is one of the world's highest priority industries and employers. In 2006 travel and tourism is expected to post US\$6,477.2bn of economic activity (total demand) and is expected to directly contribute 3.6% (US\$1,754.5bn) to Gross Domestic Product (GDP).

The total direct and indirect economic contribution (percentage of total) of travel and tourism is estimated to rise from 10.3% (US\$4,963.8bn) in 2006 to 10.9% (US\$8,971.6bn) in 2016, and is expected to generate 234,305,000 jobs, 8.7% of total employment in 2006, rising to 279,347,000 jobs, 9.0% of total employment, over the same time period.

The following table provides a snapshot of the projected value of tourism to the world's economy from 2006 to 2016:

**Table 1: World Travel and Tourism (T&T) Estimated Forecasts**

World	2006			2016		
	US\$ bn	% of Total	Growth <sup>1</sup>	US\$ bn	% of Total	Growth <sup>2</sup>
Personal Travel and Tourism	2,845	9.5	3.7	4,916	9.8	3.4
Business Travel	672	---	5.9	1,190	---	3.6
Government Expenditures	300	3.8	2.2	481	4.0	2.6
Capital Investment	1,011	9.3	4.9	2,060	9.6	4.6
Visitor Exports	896	6.4	6.5	1,754	5.5	4.9
Other Exports	750	5.4	5.0	1,715	5.4	6.5
Travel and Tourism Demand	6,477	---	4.6	12,119	---	4.2
T&T Industry GDP	1,754	3.6	4.4	2,969	3.6	3.2
T&T Economy GDP	4,964	10.3	4.8	8,972	10.9	3.7
T&T Industry Employment	76,728.7	2.8	3.4	89,484.5	2.9	1.6
T&T Economy Employment	234,304.5	8.7	4.4	279,346.7	9.0	1.8

(Source: World Travel and Tourism Council, 2006)

<sup>1</sup> 2006 Real Growth Adjusted for Inflation (%)

<sup>2</sup> 2007-2016 Annualized Real Growth Adjusted for Inflation (%): '000 of Jobs



The World Tourism Organization (2001) predicts that the number of international arrivals worldwide will increase from 565 million in 1995 to almost 1.6 billion by 2020 and receipts from international tourism (excluding transport) are projected to reach US\$2 trillion.

**Figure 1: Tourism 2020 Vision Forecasts**

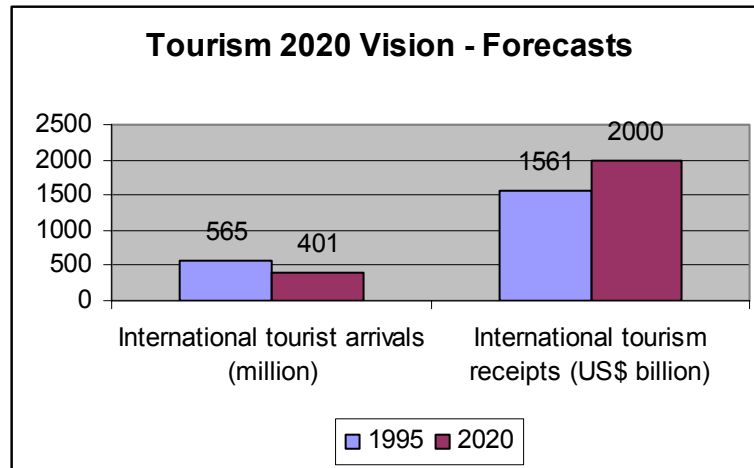


Table 2 provides a breakdown of international arrivals, by region:

**Table 2: Forecast Inbound Tourism, World by Regions**

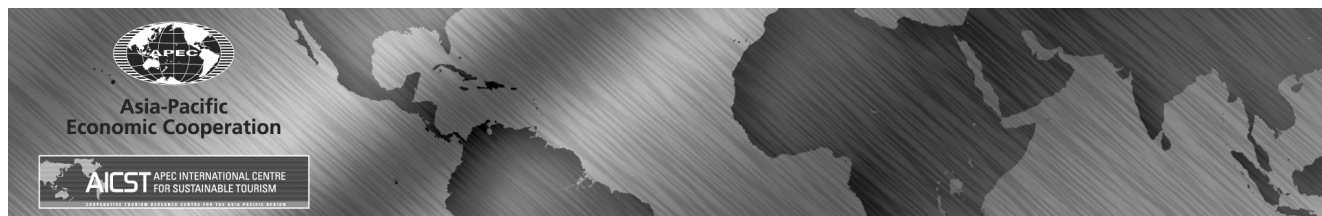
WTO Tourism 2020 Vision: Forecast of Inbound Tourism, World by Regions International Tourist Arrivals by Tourist Receiving Region (million)						
	Base Year	Forecasts		Average Annual Growth Rate	Market Share %	
		2010	2020		1995-2020	1995
<b>Total</b>	<b>1995</b>	<b>2010</b>	<b>2020</b>	<b>1995-2020</b>	<b>1995</b>	<b>2020</b>
	565.4	1,006	1,561	4.1	100	100
Africa	20.2	47	77	5.5	3.6	5.0
Americas	108.9	190	282	3.9	19.3	18.1
East Asia/Pacific	81.4	195	397	6.5	14.4	25.4
Europe	338.4	527	717	3.0	59.8	45.9
Middle East	12.4	36	69	7.1	2.2	4.4
South Asia	4.2	11	19	6.2	0.7	1.2
Intraregional (a)	464.1	791	1,183	3.8	82.1	75.8
Long-Haul (b)	101.3	216	378	5.4	17.9	24.2

(Source: World Tourism Organization (WTO), 2001 - (Actual data as in WTO database, July 2000))

These volumes represent an overall average annual rate of growth in the period 1995-2020 of 4.1%, with the only slackening of growth rate between 1995 and 2000 as a consequence of the Asian financial crisis (ie, 1995-2000 3.4% per year; 2000-2010 4.2% per year; 2010-2020 4.5% per year) (WTO, 2001).

### Profile of the Asia-Pacific Region

The Asia-Pacific Economic Cooperation (APEC) has 21 members - referred to as "Member Economies" - which account for approximately 40% of the world's population, approximately 56% of world GDP and about 48% of world trade (APEC, 2006). APEC recognizes tourism as a major future-oriented service sector.



There is a broad range of economic performance and growth potential across the APEC economies. Table 3 provides an overview of current economic indicators for APEC members.

**Table 3: Economic Indicators of the APEC Members**

Member Economy and Year Joined	Area ('000 sq km)	Population (million)	GDP (US\$bn)	GDP per capita (US\$)	Exports (US\$m)	Imports (US\$m)
Australia (1989)	7,692	20.2	692.4	33,629	86,551	103,863
Brunei Darussalam (1989)	6	0.4	5.7	15,764	4,713	1,638
Canada (1989)	9,971	32.0	1,084.1	33,648	315,858	271,869
Chile (1994)	757	15.4	105.8	6,807	32,548	24,769
China (1991)	9,561	1,299.8	1,851.2	1,416	593,647	560,811
Hong Kong, China (1991)	1	6.9	174.0	25,006	265,763	273,361
Indonesia (1989)	1,905	223.8	280.9	1,237	71,585	46,525
Japan (1989)	378	127.3	4,694.3	36,841	566,191	455,661
Korea (1989)	99	48.2	819.2	16,897	253,845	224,463
Malaysia (1989)	330	25.5	129.4	4,989	125,857	105,297
Mexico (1993)	1,958	105.0	734.9	6,920	177,095	171,714
New Zealand (1989)	271	4.1	108.7	26,373	20,334	21,716
Papua New Guinea (1993)	463	5.9	3.5	585	4,321	1,463
Peru (1998)	1,285	27.5	78.2	2,798	12,111	8,872
The Philippines (1989)	300	86.2	95.6	1,088	39,588	40,297
The Russian Federation (1998)	17,075	144.0	719.2	5,015	171,431	86,593
Singapore (1989)	1	4.2	116.3	27,180	179,755	163,982
Chinese Taipei (1991)	36	22.5	335.2	14,857	174,350	168,715
Thailand (1989)	513	64.6	178.1	2,736	97,098	95,197
The United States (1989)	9,364	293.0	12,365.9	41,815	818,775	1,469,704
Viet Nam (1998)	332	82.6	51.0	610	26,061	32,734

(Area; Population; Current price GDP; Current GDP Source: *Economic Fact Sheets*, <http://www.dfat.gov.au/geo/fs>. Exports and Imports Source: *The APEC Region Trade and Investment*, 2005)

## The Importance of Tourism

Tourism is one of the driving forces of economic development in industrialized, less-developed and developing countries. The travel and tourism industry contributes substantially to:

- strong economic growth,
- creation of skilled and semi-skilled jobs,
- greater export returns,
- foreign investments and currencies, and
- economic well-being and social stability.

Travel and tourism is one of the world's largest industries and generators of jobs. The tourism industry is labour intensive and provides a wide range of employment opportunities, especially for women and young people, helping to break the vicious cycle of poverty by enhancing human capital





and creating new prospects for future generations. The jobs are spread across a wide range of industries and comprise a broad range of remuneration levels. The development of small and medium size enterprises creates work for unskilled and skilled workers in existing centres and rural areas. Visitors' expenditure in a destination flows directly to industries that serve visitors and indirectly to the many other businesses that supply goods and services to these tourism businesses. In this way, the benefits from visitors' expenditure flow right through local, regional, state/provincial and national economies and throughout communities.

### **Tourism Industry Contribution to World and APEC Economies**

The rate of industry growth in the last few decades and the scale of tourist movements have not only created a major industry, they have created a massive logistical framework of transport networks, gateways, infrastructure, accommodation and services capable of moving large numbers with minimum delays and great efficiency.

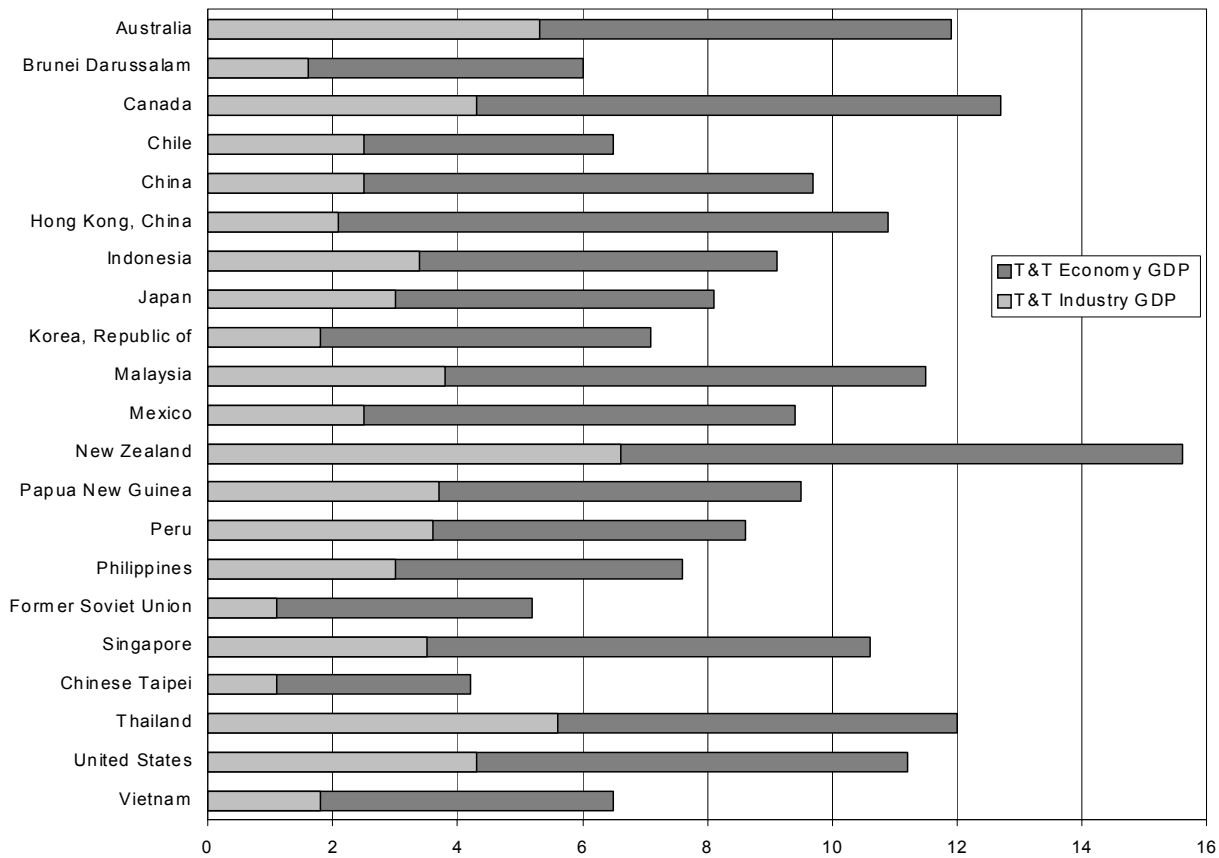
According to the World Travel and Tourism Council (WTTC), tourism and travel in the APEC region currently accounts for:

- More than 100 million employed; by 2010 employment in travel and tourism in the APEC region will increase by more than 25% creating an additional 30 million new jobs;
- Over US\$2 trillion in travel and tourism-related demand; total tourism and travel demand in 2010 is expected to exceed US\$3 trillion;
- Approximately US\$400 billion in export earnings which will increase by almost 66% by 2010; and
- One-quarter of world international visitor arrivals and more than one-third of global international visitor expenditure.

*Source: in APEC Tourism Working Group, 2006*

The influence of the tourism and travel sector on each country's economy varies across the APEC nations (Figure 2). For example, in New Zealand tourism contributes 15% to GDP while in Chinese Taipei this sector accounts for just 4.1% of total GDP.

**Figure 2: The Contribution of the Travel and Tourism Sector to APEC Economies' GDP (Percent of Total GDP)**

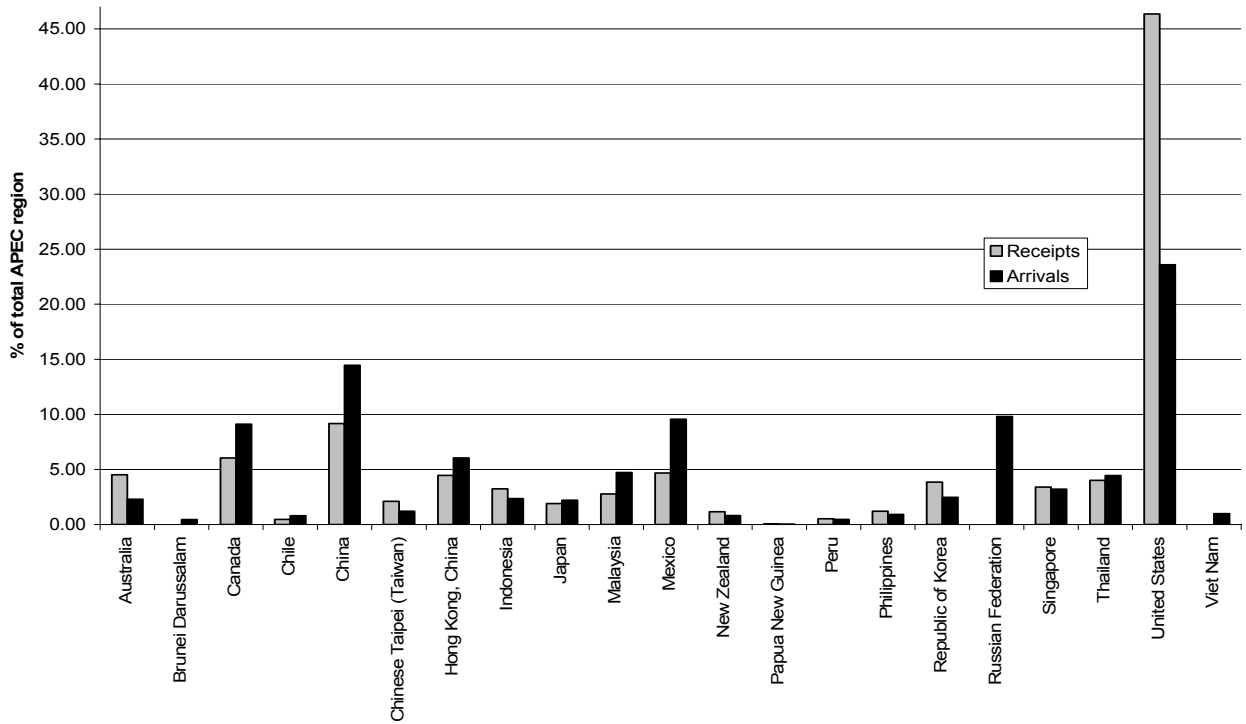


(Source: WTTC, 2002)

Another economic indicator of the contribution of tourism to a country's economy is receipt values, which indicate revenue gained from tourism. A country may have a higher receipt value than the number of arrivals, which indicates that the tourist market of that destination accumulates significant revenue from tourism. Ten members of the APEC economies (Australia, Chinese Taipei (Taiwan), Indonesia, New Zealand, Papua New Guinea, Peru, Philippines, Republic of Korea, Singapore and The United States) generate relatively higher receipts than number of arrivals (Figure 3). These economies generate about two-thirds of all receipts in the APEC region by attracting only one-third of tourist arrivals. This uneven distribution of receipts and arrivals illustrates why it is important to develop destinations in a manner which facilitates the accumulation of revenue from tourism.



**Figure 3: Comparison of Receipts and Arrivals**

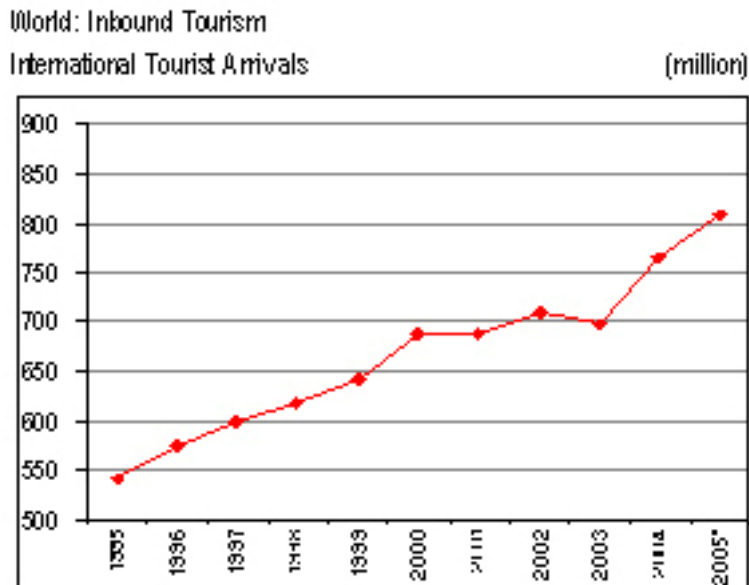


(Source: Prepared by APEC)

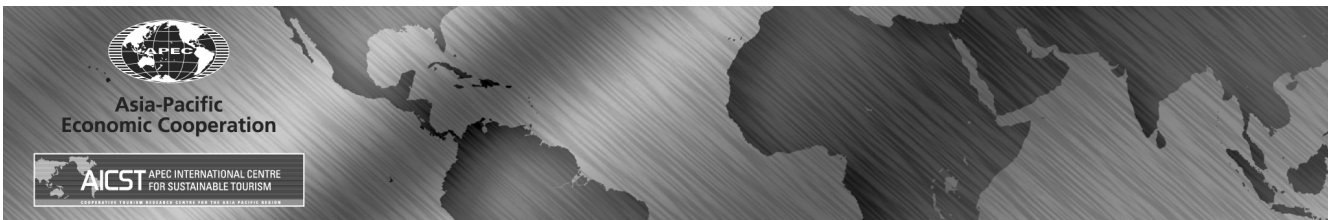
### Recent Tourism Performance Worldwide

The economic health of tourism is influenced by the same economic cycles which affect all countries across the world. Figure 4 represents total international inbound tourist arrivals for the period from 1995 to 2005.

**Figure 4: World Inbound Tourism 1995-2005**



Source: World Tourism Organization (WTO) ©



As can be seen in the above graph, international tourism arrivals experienced steady growth from 1995 to 2000. This growth halted in 2001 and did not pick up again until 2004. In this period the world tourism industry suffered some severe losses as a result of a series of major international events. Outlined below is a brief overview of selected major events which have collectively influenced the performance of the tourism industry in the region over the past five years.

- **September 11 terrorist attacks in the USA** resulted in an economic downturn affecting all major economies simultaneously. This event triggered business and consumer uncertainty and shifts in demand. Falls in tourist arrivals in 2001 for the Asia-Pacific Region included a 21% fall in Chinese Taipei and 10% in Singapore (APEC Tourism Working Group, 2001). While the region’s tourism industry began to experience a recovery in early 2002 this recovery was very gradual and patchy throughout the APEC region.
- **SARS virus outbreaks in 2003** had the effect of hampering economic growth following a heightened state of uncertainty across the region. This has been closely linked to the unexpected drop of 12 million arrivals (-9%) in the Asia-Pacific Region. According to the WTTC (2003), research shows a 15% loss of business in Viet Nam for 2003, 43% in Singapore, 41% in Hong Kong, China and 25% in China as a result of SARS. A total of 2.9 million jobs were lost. As a result of these occurrences in 2003, international tourism arrivals fell 1.2% for that year, the biggest ever annual drop.
- **Indian Ocean Tsunami December 2004** caused devastating effects for some Asian Pacific countries and their tourism industries. This resulted in a dramatic drop in international visitation and hotel occupancy in affected countries. Figure 5 provides a snapshot of the impact of this event on international tourism arrivals to Phuket, Thailand.

**Figure 5: International Tourism Arrivals to Phuket**

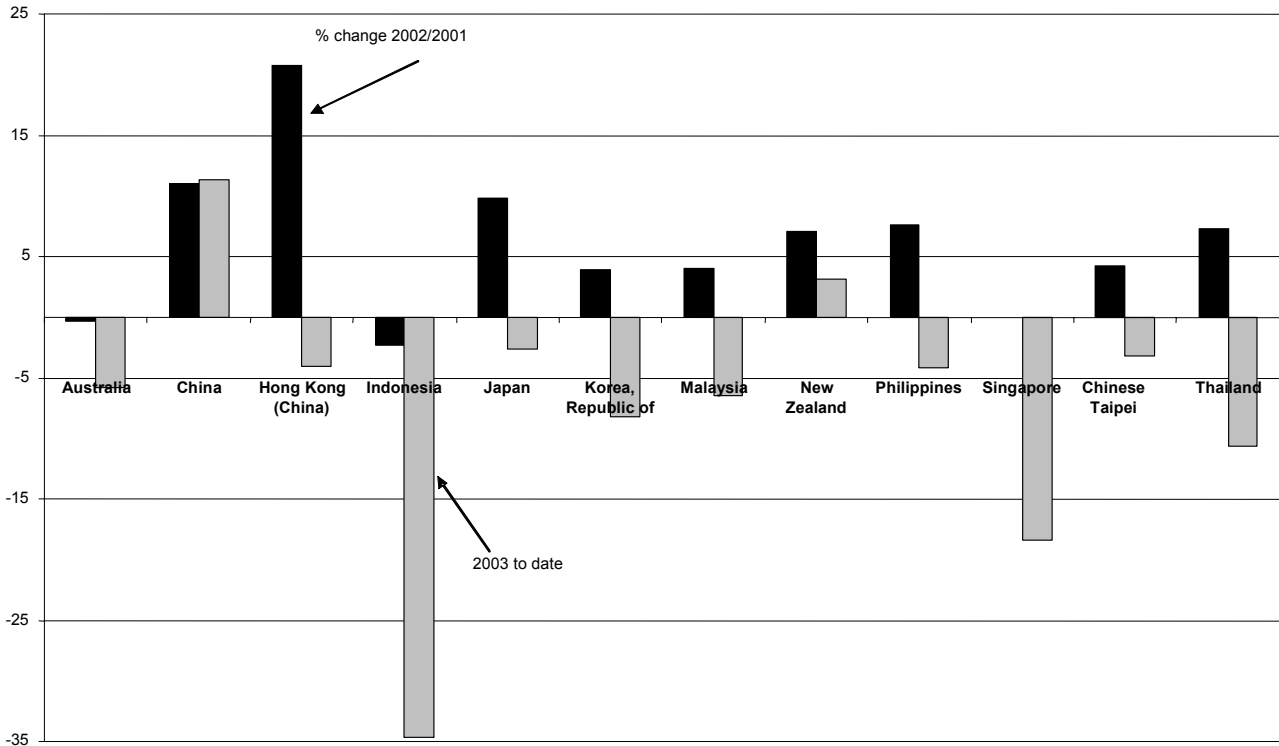
International Tourist Arrivals to Phuket (Jan-Aug)									
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	8 month Total
2005	12,459	35,659	49,839	30,617	28,161	32,258	46,432	59,102	294,527
2004	160,029	94,048	82,034	78,229	73,082	76,380	100,588	118,474	782,864
%chg	-92.1	-62.1	-39.3	-60.9	-61.5	-57.8	-53.8	-50.1	-62.4

(Source: UNWTO, 2005)

While most economies in Asia and the Pacific reported a growth in tourist arrival rates in January and February of 2003, this trend abruptly ended after March 2003 with the emergence of SARS and the Iraq conflict. The impact of these two events on tourism in this region was widespread. For example economies such as Japan, Korea, Australia, Thailand, Indonesia and The Philippines, experienced a 10 to 50 percent decline in tourist arrivals even though they were not directly affected by these events. These events highlighted the interdependency which exists between regions. For example, many countries depend on the major air travel hub of Singapore which was severely crippled by the SARS outbreak. Figure 6 provides an indication of the impact of these events on specific economies from 2002 to 2003.



**Figure 6: International Tourist Arrivals by Country of Destination 2003**



(Source: UNWTO, 2003)

The following case study outlines the economic impact of SARS in Malaysia.

### The Economic Impact of SARS in Malaysia

The first known case of Severe Acute Respiratory Syndrome (SARS) occurred in Foshan city, Guangdong Province, China on 16 November 2002. SARS is a severe and readily transmissible disease to emerge in the 21st century. Though much about the disease remains poorly understood, SARS showed a clear capacity to spread along the routes of international air travel. The outbreaks of greatest concern were concentrated in transportation hubs or spreading in densely populated areas. The World Health Organization (WHO) regarded every country with an international airport as at potential risk of an outbreak. There were 8,100 cases worldwide with 916 people dying from SARS.

Despite the small number of reported cases and deaths, SARS had a major economic impact on the travel industry around the world. The economic consequences for Malaysia – with only five reported cases - were significant considering heavy reliance on intraregional trade and tourist arrivals from East Asia. Malaysia's tourism industry, the second largest foreign exchange earner after manufacturing, was hit badly by SARS. Tourism, which contributed about 7.8% of GDP in 2002, was affected significantly, as reflected in the increase in cancellations of travel and hotel bookings. According to the Malaysia National Economic Action Council, tourism arrivals dropped 30% and hotel occupancy countrywide fell to 30 ~ 50% year on year, by the end of April 2003 (Asia Recovery Information Centre, 2003). During the same period, airline bookings were reportedly down by 40% (Asia Recovery Information Centre, 2003).

On 21 May 2003, the Malaysian Government released an economic package to sustain economic growth under the title "New Strategies Towards Stimulating the Nation's Economic Growth". It



included 13 measures providing assistance to the economic sectors hardest hit by SARS, such as tourism and transport. These measures were part of a more comprehensive package for promoting private sector investment and international competitiveness and strengthening domestic demand. The package contained a federal budgetary allocation of RM7.3 billion (US\$1.9 billion), or 2% of GDP, to stimulate the economy through public spending and reduced taxes.

'Tourism Promotion' was focused on markets not hit by the SARS outbreak such as the West Asian nations. The six-day tourism campaign jointly organized by the Malaysia Tourism Promotion Board (Tourism Malaysia) and Malaysia Airlines, was aimed at potential travellers from Kuwait, Bahrain, Qatar and Oman (Husain, 2003). The Culture, Arts and Tourism Ministry allocated RM900 million (US\$237 million) to revive the local tourism industry, which had been badly affected by the ongoing global crisis (The Culture, Arts and Tourism Ministry, 2003). According to the Ministry, RM400 million (US\$105 million) would be used for the Special Tourism Fund and RM500 million (US\$132 million) was used for the Tourism Infrastructure Fund.

(Source: AICST, 2004: Based on materials provided from the University of Hawaii)

The UNWTO (2005) reported that in 2004 tourism saw a full recovery in Asia and the Pacific. The region achieved growth of 28%, receiving an estimated volume of 153 million tourist arrivals. International tourist arrivals to North-East Asia grew by 30% with major SARS-affected destinations fully recovering the losses of 2003 in terms of both arrivals and tourism receipts. Figure 7 below shows a comparison of tourist arrivals and receipts in the Asia and Pacific Region for 2003 to 2004.

**Figure 7: Tourist Arrivals and Receipts in Asia and the Pacific**

Major destinations	Series <sup>1</sup>	International Tourist Arrivals				International Tourism Receipts					
		(1000)		Change (%)		(US\$ million)		Change (%)		Share (%)	
		2003	2004*	2003/02	2004*/03	2004*	2003/02	2004*/03	2004*		
<b>Asia and the Pacific</b>		<b>119,255</b>	<b>152,543</b>	<b>-9.0</b>	<b>27.9</b>	<b>100</b>	<b>94,855</b>	<b>124,973</b>	<b>-4.3</b>	<b>31.8</b>	<b>100</b>
Australia	TF	4,354	-	-1.5	-	-	10,318	12,952	20.3	25.5	10.4
China	TF	32,970	41,761	-10.4	26.7	27.4	17,406	25,739	-14.6	47.9	20.6
Guam	TF	910	1,160	-14.1	27.5	0.8	-	-	-	-	-
Hong Kong (China)	VF	15,537	21,811	-6.2	40.4	14.3	7,137	9,007	-5.4	26.2	7.2
India	TF	2,726	3,371	14.4	23.6	44.9	3,533	4,769	21.1	35.0	65.0
Indonesia	TF	4,467	5,321	-11.3	19.1	3.5	4,037	4,798	-23.6	18.8	3.8
Iran	TF	1,546	1,659	-2.5	7.3	22.1	1,033	1,074	-23.9	4.0	14.6
Japan	TF	5,212	6,138	-0.5	17.8	4.0	8,817	11,202	-	27.1	9.0
Korea Republic of	VF	4,753	5,818	-11.1	22.4	3.8	5,343	5,697	-9.7	6.6	4.6
Macao (China)	TF	6,309	8,324	-3.9	31.9	5.5	5,128	7,452	20.0	45.3	6.0
Malaysia	TF	10,577	15,703	-20.4	48.5	10.3	5,901	8,198	-17.1	38.9	6.6
New Zealand	VF	2,104	2,348	2.9	11.6	1.5	3,979	4,951	31.1	24.4	4.0
Philippines	TF	1,907	2,291	-1.3	20.2	1.5	1,545	2,012	0.0	30.2	1.6
Singapore	TF	5,705	-	-18.5	-	-	3,787	5,090	-14.6	34.4	4.1
Taiwan (pr. of China)	VF	2,248	2,950	-24.5	31.2	1.9	2,977	4,040	-35.0	35.7	3.2
Thailand	TF	10,004	11,651	-8.0	16.5	7.6	7,828	10,034	-1.0	28.2	8.0

(Source: UNWTO, 2005b)

Years 2005 to 2006 have seen continuing growth for many Asian and Pacific countries. Indonesia has experienced a 10.2% decline in tourist arrivals which could be directly linked to terrorist bombings in October 2005 (see case study in Chapter 3). Table 4 (PATA, 2006) provides international inbound arrivals and growth for 33 countries in the Asia-Pacific region for 2005 to 2006:





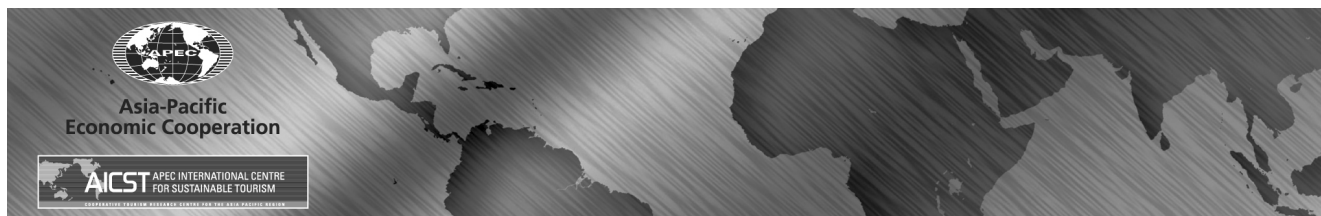
**Table 4: International Inbound Arrivals and Growth for 2005 to 2006**

Country/Destination	Period	Year		% Change
		2005	2006	
<b>Top tier: &gt;10% growth year-on-year</b>				
Maldives	Jan-May	138,903	264,613	90.5
Lao PDR	Jan-Feb	158,859	221,743	39.6
Thailand (Air arrivals at Don Muang Airport-BKK)	Jan-Mar	1,981,656	2,564,229	29.4
Sri Lanka	Jan-Apr	167,511	209,312	25.0
Cambodia	Jan-Apr	504,889	600,374	18.9
Macau SAR	Jan-Mar	4,457,022	5,248,018	17.7
Singapore	Jan-Apr	2,728,388	3,128,055	14.6
India	Jan-Apr	1,403,234	1,605,773	14.4
Philippines	Jan-Apr	852,583	965,853	13.3
Hong Kong SAR	Jan-Apr	7,413,380	8,353,504	12.7
Vietnam	Jan-May	1,413,098	1,582,009	12.0
<b>Middle tier: &gt;5%-10% growth</b>				
Japan	Jan-Apr	2,177,786	2,378,502	9.2
Nepal	Jan-May	92,865	100,151	7.8
Chinese Taipei	Jan-Mar	799,874	859,884	7.5
<b>Third tier: 0%-5% growth</b>				
Malaysia	Jan-Feb	2,740,582	2,838,282	3.6
Cook Islands	Jan-Apr	23,390	24,129	3.2
Guam	Jan-Apr	416,461	427,577	2.7
Hawaii (Air)	Jan-Apr	2,341,727	2,390,312	2.1
China (PRC)	Jan-Mar	28,216,763	28,732,813	1.8
New Zealand	Jan-Apr	908,861	921,599	1.4
USA	Jan-Mar	9,008,381	9,049,087	0.5
<b>Fourth tier: Negative growth</b>				
Australia	Jan-Apr	1,878,282	1,868,953	-0.5
Korea (ROK)	Jan-Apr	1,966,342	1,935,966	-1.5
Tahiti	Jan-Mar	46,860	45,146	-3.7
Mexico	Jan-Mar	5,795,420	5,520,610	-4.7
Papua New Guinea	Jan-Mar	16,557	15,754	-4.8
New Caledonia	Jan-Feb	15,954	14,916	-6.5
Canada	Jan-Mar	2,723,720	2,544,597	-6.6
Indonesia (13 ports of entry)	Jan-Apr	1,337,310	1,201,344	-10.2
Palau	Jan-Jan	8,581	7,050	-17.8
Northern Marianas	Jan-Apr	179,093	145,477	-18.8
Marshall Islands	Jan-Apr	2,068	1,422	-31.2
Kiribati	Jan-Mar	538	334	-37.9

We need to ensure that the tourism industry is prepared as best it can be for future crises and disasters to minimize the negative impact on the tourism industry and maximize opportunities for tourism growth.

## **Chapter Summary**

This chapter demonstrates the diversity of the APEC and world economies in terms of tourism performance and potential. Given that tourism is among the leading export sectors of goods and



services in each economy, it is essential that the right conditions exist to support the future growth of this sector.

The value and importance of tourism was illustrated through facts and figures on how tourism generates income, creates and sustains jobs, encourages foreign investment and facilitates trade opportunities. Drawing attention to tourism's substantial economic contribution is important in order to gain the support of key government decision makers, who in turn will help ensure the industry is protected from various threats. These potential threats are discussed in the following chapter.

Although recent years have been difficult for many of the world's economies, the long-term outlook in travel and tourism is positive. One of the lessons from the past three years is that some destinations were much better prepared than others to respond and adapt quickly to possible shocks and threats to the tourism industry. The intention of this report is to show how all tourism destinations can be better prepared to manage risks to tourism in the future.

Chapter 2 now considers the key elements of disasters and their effects upon communities and offers a practical framework for working through the risk management process.

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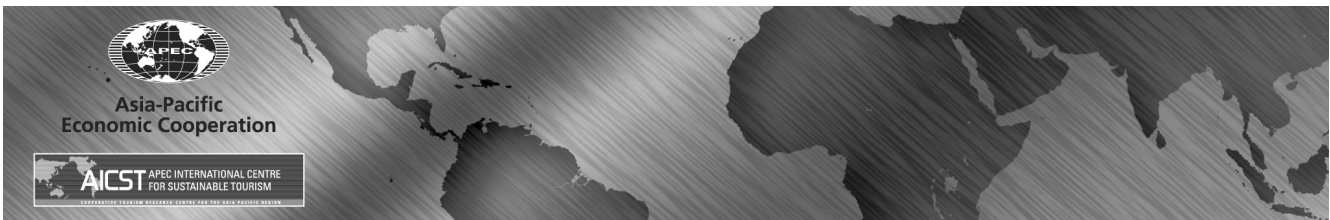
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## CHAPTER 2: RISK MANAGEMENT FOR TOURISM CRISES AND DISASTERS

### Aim of this Chapter

The aim of this chapter is to provide background on the formal government disaster management processes for communities and to identify and examine issues of risk management which are relevant to the tourism industry and tourism operators.

In this manual, risk management is concerned with identifying and analysing the risks (the chance of something happening) to an organization or community and deciding what can or should be done to address these risks. An official definition of risk management is: *'the culture, processes and structures that are directed towards realizing potential opportunities whilst managing adverse effects'* (Australian Standards Association/New Zealand Standards Association, 1995).

Risk management in the tourism context refers to the planning and implementation of processes directed towards managing the adverse effects of crises and disasters on tourism. It also addresses tourism's potential opportunities for the improvement in systems and procedures. This chapter addresses risk management for tourism destinations and individual tourism businesses and organizations.

### Introduction

The Asian Disaster Preparedness Centre in Bangkok defines disaster as: 'the serious disruption of the functioning of society causing widespread human, material, or environmental losses which exceed the ability of the affected communities to cope using their own resources'. In Carter's manual for disaster managers funded by the Asian Development Bank, disaster is defined as: 'an event; natural or man-made, sudden or progressive, which impacts with such severity that the affected community has to respond by taking exceptional measures' (Carter, 1992). The World Health Organization's definition of disaster is: 'any occurrence that causes damage, economic disruption, loss of human life and deterioration in health and health services on a scale sufficient to warrant an extraordinary response from outside the affected area or community'.

The common thread in these and other definitions of disaster is that there is disruption to the community which is of such magnitude that responding organizations, infrastructure and resources are overwhelmed, and there is an inability to return to normal without external assistance.

For disaster management purposes, an appropriate and practical definition is one which recognizes the severity of the effects of a disaster, its impact upon a community, and the required level of response. In the Australian Emergency Management Glossary (EMA, 2006) disaster is defined as: 'a serious disruption to community life which threatens or causes death or injury in that community and/or damage to property which is beyond the day-to-day capacity of the prescribed statutory authorities and which requires special mobilization and organization of resources other than those normally available to those authorities'.

Regardless of the definition used, it is important to realize that disasters are different in kind and in scope from day-to-day emergency incidents. Disasters are not simply bigger events; they have a significant impact upon people and their infrastructure and community resources; they inevitably overwhelm the capacity of the community and the resources and facilities available for management of the immediate response, and they produce long-term problems of restoration and rehabilitation. Disasters are not over when the flood waters have receded, when the injured have been treated, or the bodies cleared away. The community has to be put back together: and the community includes the people, their infrastructure, and resources.



A disaster requires a total community response. One way or another, everyone is affected by a disaster and by the changes the event causes: to the economy, through the destruction of jobs and businesses; to community infrastructure, through destruction of the resources which the community usually depends upon; or to the social networks and structure, through death and injury.

Disasters also require an integrated disaster management system: an active partnership between governments and authorities, organizations, agencies and the community. Although the tourism industry has rarely been a formal partner in these processes in the past, it is recommended that tourism should be a significant element within integrated community disaster management systems in the future.

This chapter provides a practical framework within which tourism operators and tourism-related government agencies can address risk management processes for individual businesses, organizations and tourism destinations.

## **Disasters and Tourism**

The tourism industry is not responsible for the development or implementation of disaster management plans and arrangements: community disaster management agencies are responsible for them. Where possible, though, the tourism industry should participate in disaster planning and management activities through appropriate local, regional or national committees. Such participation enables the importance of tourism to be drawn to the attention of disaster management agencies and promotes the need for appropriate measures to protect visitors to be considered and developed.

In this way, tourism operators and destinations can be proactive and potentially reduce the effects of disasters upon their industry. Importantly, the particular needs of tourism, including visitors and visitor markets, can be addressed in the planning processes.

## **Crisis Management**

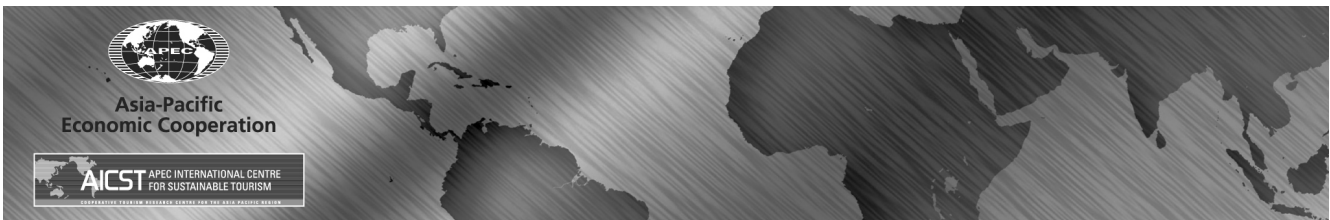
Crisis is defined as: 'any situation that has the potential to affect long-term confidence in an organization or a product, or which may interfere with its ability to continue operating normally' (PATA, 2003). Crisis management is used in this guide as the term which applies to the means by which a tourism business/organization or destination prepares for, responds to, and recovers from, a crisis.

Crises for tourism operators and destinations may arise from internal (organizational) sources or from external events (community events such as the impact or threat of a disaster). Some of the case studies in this guide highlight the crises faced by tourism businesses/organizations and destinations as a result of community disasters such as Hurricane Katrina and the Bali Bombings. In both cases, the community disaster affected confidence in tourism and interfered with its ability to continue normal operations.

## **The Role of the Tourism Industry in Risk Management**

There are two fundamental roles for tourism in risk management: the first of these is as a partner with government and community agencies in the development of multi-agency, coordinated disaster management plans, systems, procedures and processes which include the needs of tourism; the second is to develop plans and procedures appropriate to a destination and to the specific roles and responsibilities of an organization, to train personnel to those plans, and to conduct regular tests of plans, procedures and personnel with subsequent amendment and updating.

No organization involved in disaster management should work in isolation. Each tourism operator and organization is part of the disaster management community and should function within the



established, coordinated and integrated system. The development of effective plans and procedures in the disaster management context is dependent upon:

- regular inter-agency meetings, networking and liaison;
- implementation of a disaster risk management process;
- development of plans and procedures;
- establishment and nurturing of partnerships;
- community consultation;
- effective communication;
- training of personnel;
- testing of plans, procedures and personnel through exercises (simulated disaster activities); and
- efficient review and amendment procedures.

The disaster management system in each country will have allocated roles and responsibilities for the management of disasters. It is not the responsibility of the tourism industry to assign these responsibilities or to allocate tasks to disaster management agencies. Rather, they should work within the established framework to add value to the overall outcomes.

Different sections of the tourism industry will have different responsibilities in disaster management, and will need to liaise at different levels of the disaster management system. National or state/provincial-level tourism authorities, for example, should participate through membership of appropriate committees, in national and state/provincial-level disaster risk management processes, contributing to the development of policy and strategic planning processes. An individual tourism operator should contribute, again through appropriate committees, to local-level disaster management processes, including the development of response and recovery plans for the community, and plans and procedures for tourism facilities (eg, building evacuation plans). At all levels, disaster management is a multi-agency system.

The second fundamental role for tourism in risk management is to be proactive and develop strategies for a destination or an individual business/organization to maximize the potential for continuity of normal business and to protect the safety and security of visitors and staff in the event of a disaster or crisis.

The development and implementation of tourism risk management strategies which comprehensively address potential risks to tourism are now becoming an integral part of managing tourism in destinations. These tourism risk management strategies should link to community disaster management plans and include actions which tourism operators and organizations can take to complement the work of community disaster management agencies.

Risk management plans for tourism should provide, as appropriate and as a minimum, for:

- the safety of visitors and employees;
- secure systems to communicate with all persons within the facility and within the destination;
- security of buildings, facilities and equipment from the effects of the disaster;
- contributing trained liaison personnel to the disaster management agencies during response and recovery operations, as required;
- supplying resources to support response and recovery operations; and
- procedures for return to normal business activities upon termination of the disaster operations.





## Hazards (Sources of Risk)

Hazards and risks are two different things. A hazard is a source of potential harm (to a community or an organization); while risk is defined as the chance of something happening that will have an impact upon objectives. There may be a high level of risk that a hazard will impact upon a community, for example, or a low level of risk (that is, chance) of the hazard impacting. Hazards are also referred to as sources of risk.

Asia and the Pacific, along with the rest of the world, face a wide range of disasters and crises from a variety of hazards including those from:

Natural hazards	cyclone, storm surge, flood, tsunami, earthquake, mudslide, avalanche, volcanic eruption.
Technological hazards	failure of technical systems relating to industrial sites, transportation, infrastructure.
Biological hazards	spread of disease amongst people or animals, pests, contamination.
Civil/political hazards	terrorism, sabotage, civil unrest, hostage situations.

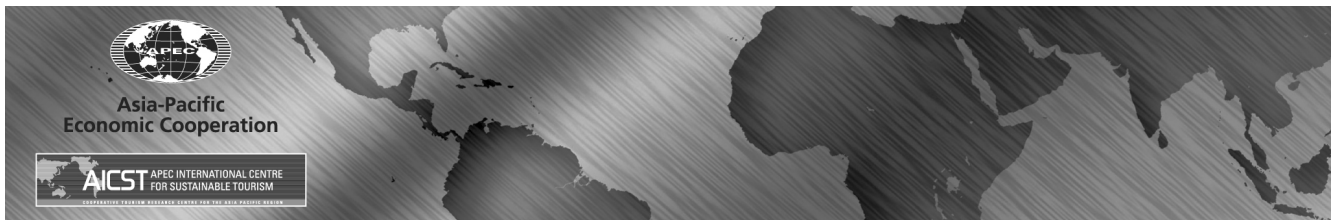
Hazards are not in themselves disasters. Each hazard has the potential to impact upon a community and to cause loss or harm to the community or the environment. Even a hazard impact will not necessarily produce a disaster. If an earthquake, for example, were to occur in a remote and unpopulated area and cause no harm to people or damage to property or facilities, it would not be a disaster.

The World Tourism Organization (2003) identifies risks to the safety and security of visitors, host communities and tourism employees from four sources:

### 1. The Human and Institutional Environment

These risks exist when visitors fall victim to:

- common delinquency (theft, pickpocketing, assault, burglary, fraud, deception);
- indiscriminate and targeted violence (such as rape) and harassment;
- organized crime (extortion, the slave trade, coercion);
- terrorism and unlawful interference (attacks against state institutions and the vital interests of the state), hijacking and hostage taking;
- wars, social conflicts and political and religious unrest; and
- a lack of public and institutional protection services.



## **2. Tourism and Related Sectors**

Tourism and sectors related to tourism such as transport, sports and retail trade, can endanger visitors' personal security, physical integrity and economic interests through:

- poor safety standards in tourism establishments (fire, construction errors, lack of anti-seismic protection);
- poor sanitation and disrespect for environmental sustainability;
- the absence of protection against unlawful interference, crime and delinquency at tourism facilities;
- fraud in commercial transactions;
- non-compliance with contracts; and
- industrial disputes by staff.

## **3. Individual Travellers**

Travellers or visitors can endanger their own safety and security, and those of their hosts by:

- practicing dangerous sports and leisure activities, dangerous driving, and consuming unsafe food and drink;
- travelling when in poor health, which deteriorates during the trip;
- causing conflict and friction with local residents through inadequate behaviour towards the local communities or by breaking local laws;
- carrying out illicit or criminal activities (eg, trafficking in illicit drugs);
- visiting dangerous areas; and
- losing personal effects, documents, money, etc, through carelessness.

## **4. Physical and Environmental Risks**

Physical and environmental damage can occur if travellers:

- are unaware of the natural characteristics of the destination, in particular its flora and fauna;
- have not undertaken adequate medical preparations for the trip (vaccinations, prophylaxis);
- do not take the necessary precautions when consuming food or drink or in their personal hygiene; and
- are exposed to dangerous situations arising from the physical environment.

Physical and environmental risks are also largely personal risks: the result of the traveller's ignorance or his or her disregard for potential risks. In fact, overseas visitors are most likely to be injured in unfamiliar environments and while participating in unfamiliar activities (Page & Meyer, 1997).

Despite these four identified sources of risk, the threat to physical safety has become the major concern for travellers since the events of 11 September 2001 (World Tourism Organization, 2003).



## The Nature of Disasters

Some hazards are seasonal (for example, cyclones), but others are less predictable and could occur almost anywhere and at any time. Disasters differ greatly in their characteristics, and thus in their potential to affect destinations.

When examining the nature of disasters, the following aspects have to be considered for each potential hazard:

- **Cause**  
Is it natural, technological, biological, etc?
- **Frequency**  
Is it a regular or seasonal event (eg, cyclone, floods) which can be anticipated?
- **Duration**  
Will it have a limited duration such as an explosion, or be prolonged (inundation floods, epidemics)?

For tourism this has significant implications for the care and well-being of visitors and employees. Disasters which can be of prolonged duration will, at the very least, require the development of contingency plans for the return of visitors to their homes.

- **Speed of onset**  
Will it develop rapidly with little or no time for warnings to be issued (eg, aircraft crash), or gradually as in the case of floods (except flash floods), allowing time for warning and perhaps even for protective measures to be taken?

Having time available to provide warnings and information and for measures to be undertaken for the protection of people will affect the public's perception of the level of preparedness and the response capability of disaster management agencies within a destination.

- **Scope of impact**  
Will the disaster have the capacity to affect only a section or sections of the community, or will it be diffused, affecting the entire community and causing widespread disruption to infrastructure, services and facilities?

From a tourism perspective, will the disaster have the capacity to affect a single tourism operator or a whole destination, or might it have a worldwide impact upon the tourism sector, such as the September 11 bombing of the World Trade Centre in 2001?

- **Destructive potential**  
Could it damage a single building, or all the homes and buildings, infrastructure and utilities in the entire community? What type of destruction (personal injury and/or property damage)?

A hazard capable of destroying a community and its infrastructure will, again, necessitate the development of contingency plans for the relocation of visitors to a safer place with essential facilities, and for their return to their homes.

Although the disaster management agencies will consider each of these factors from the perspective of the effects upon the community, the tourism industry should also consider each in terms of their potential effects upon tourism facilities, infrastructure and operations. Although the tourism industry should contribute to the community disaster management process, it is essential at each stage to identify the specific effects and implications for the tourism industry and operations.



## **New Orleans and the Lessons of Hurricane Katrina**

New Orleans, Louisiana, USA, home of the Mardi Gras, jazz musicians, and an extensive heritage of art, culture and culinary delights. As a world-renowned visitor destination it attracted between 8.5 million and 10 million visitors annually, and generated approximately 800,000 jobs. Tourism was the region's second largest industry.

On 29 August 2005, Category 5 Hurricane Katrina struck New Orleans, causing widespread damage and breaches in the city's levee system. As the Mississippi River flowed into the low-lying city, up to 80% of New Orleans became submerged. International media coverage exposed a global audience to images of death, destruction and mayhem. Despite warnings, evacuations were poorly planned and coordinated. Many visitors were transferred to shelters or simply advised to make arrangements to leave the area. Limited understanding and access to transport resulted in people staying in their homes. Last-minute evacuees blocked highways and fuel stations. City officials exercised limited control – few had anticipated an event of such severity, despite the lessons from a major disaster management exercise held twelve months earlier which was based upon a scenario involving issues which were an uncanny replica of Katrina.

Initial search and rescue efforts were hindered by the continuing rising waters and accumulated debris as buildings, dwellings, infrastructure and utilities (public utilities/plant) had suffered massive damage. With limited reliable information available, media reports emphasized tragedy, social tension, looting and the chaotic plight of New Orleans, characterized by the horrors of the “Super-dome” (which sheltered many visitors amongst the approximately 20,000 evacuees). Conditions deteriorated for survivors, and relief arrangements were complicated by access difficulties. Sanitation and the potential for disease outbreaks became serious issues.

As officials debated the merits of rebuilding or relocating New Orleans, residents and volunteers returned to begin clean-up operations. While some operators managed to quickly resume or even maintain services, support infrastructure was limited. Hotels, airports, museums, entertainment and dining establishments had suffered extensive damage. Lacking housing and immediate employment opportunities, many employees relocated. Scheduled meetings, conferences and festivals were cancelled, relocated or indefinitely postponed.

For small tourism businesses, recovery has so far proved extremely challenging. While the Government has assisted with debris removal, grants and advertising and marketing budgets, rebuilding the industry and positive perceptions has proved difficult. ‘Louisiana’s Rebirth’ was significantly delayed by an active hurricane season which made consumers wary. With the re-opening of hotels, restaurants and parks, tourism is returning but visitor spending is limited. Physical reconstruction of the city is still far from complete, and many residents and business have not returned. While New Orleans remains an intriguing city, its restoration as a national and international visitor destination requires confidence in the process of community recovery and associated safety and security measures.

Important lessons for the tourism industry from Katrina include:

- risk and emergency management planning (including insurance) should be an individual business priority and not just a government responsibility;
- it is important to understand community and environmental vulnerabilities beyond just the tourism industry;
- communication and coordination with emergency management agencies can help protect life and property;



- while physical damage may be inevitable, identification of vital resources and planning can help minimize losses;
- all businesses should have evacuation procedures, catering for needs and demands of visitors and staff;
- effective crisis communications should begin before an event and be maintained with timely and factual information from reliable sources;
- the media and public need to be continually provided with accurate information;
- physical recovery should include enhanced safety and security measures; and
- tourism recovery is heavily dependent on successful community recovery.

*(Source: City of New Orleans, 2006 and BBC News, 2006)*

### **The Toll from Disasters in 2005**

Data from the International Strategy for Disaster Reduction (UNISDR) in Geneva and the Centre for Research on the Epidemiology of Disasters (CRED) in Brussels reveal that there were 360 natural disasters in 2005 (up from 305 in 2004), and a total of 157 million people (an increase of 7 million from 2004) required assistance, were evacuated from their homes, were injured and/or lost their livelihoods.

Disasters cost a total of \$US159 billion in 2005 (a rise of 71% over 2004's total), although it should be noted that losses caused by Hurricane Katrina in the United States accounted for a remarkable \$US125 billion of that sum.

Fortunately, the loss of life from disasters was lower in 2005 than in the previous year when 244,500 people lost their lives in natural disasters. The numbers of deaths have been extraordinarily high for the past two years because of the Indian Ocean tsunami which accounted for 92% of the deaths from disasters in 2004, and the South Asian earthquake which resulted in 81% of the deaths in 2005.

Tourism operators will be only too well aware that a disaster, or even the threat of a disaster such as an epidemic, has the potential to destroy the economy of a region or country. Disaster managers use the term 'cascade effect' to describe how a disaster can trigger a secondary event (eg, a mudslide following heavy rains and flooding). But the economic and social impacts of disasters upon communities, especially the most vulnerable developing nations, may produce severe, negative consequences across an entire country or region.

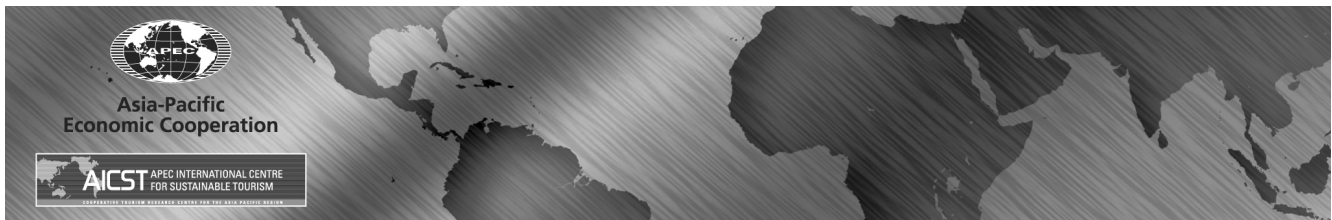
### **The Risk Management Standard**

In 1995, the Australia/New Zealand Standard 4360-1995 Risk Management was published. Developed to provide a generic framework for **organizations** in the identification, analysis, assessment, treatment and monitoring of risk, the Standard enables organizations to manage risk, minimize losses and to maximize opportunities.

The Standard was revised in 1999 and updated again in 2004.

### **Adapting the Risk Management Standard to Disaster/Emergency Risk Management**

While it was clear that the A/NZS 4360-1995 Risk Management could be applied outside of an organizational context, the process of adapting this Standard for use in a disaster management context included addressing the following key issues:



- the Risk Management Standard contains a process developed for single organizations and industries, but disaster management involves multiple organizations working within a community context; and
- in industry terms, risk is measured in terms of the likelihood and consequence of a hazard impacting upon an organization, a rather mathematical approach especially suited to engineering; disaster management, however, sees risk as a function of hazard and the vulnerability of communities, more of a sociological approach.

The Disaster Risk Management process was originally developed in Australia by Emergency Management Australia (EMA) and has since been further developed for other purposes. In the Pacific, for example, the Disaster Risk Management process has been adapted to meet local needs and is known as CHARM (Comprehensive Hazard and Risk Management); the Asian Disaster Preparedness Centre in Bangkok promotes its Community-Based Disaster Risk Management process (CBDRM) throughout South East Asia.

The South Asian Association of Regional Cooperation (SAARC, which includes Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka) has recently signed an agreement to adopt a Comprehensive Disaster Management Program framework, of which Community Risk Assessment (adapted from AS/NZS 4360:2004 Risk Management and the Disaster Risk Management process) is an integral part.

## **The Role of the Tourism Industry in Risk Management and Disaster Risk Management**

In simple terms, the risk management and disaster risk management processes are concerned with identifying and analysing the risks ('the chance of something happening that will have an impact upon objectives') to an organization or the community, and deciding what can and should be done about them. They are logical and systematic problem-solving and decision-making processes.

The tourism industry should be involved in both risk management (the organizational process) and disaster risk management (the multi-agency, community-based process).

The tourism industry should use the risk management process to identify, analyse, evaluate, treat, monitor and review risks to businesses and organizations and to destinations as a whole. In the community disaster management context, tourism operators and industry representatives should, as stakeholders in the process, have significant input into the disaster risk management process, and contribute to the development and implementation of associated disaster management plans and systems, and training and testing regimes.

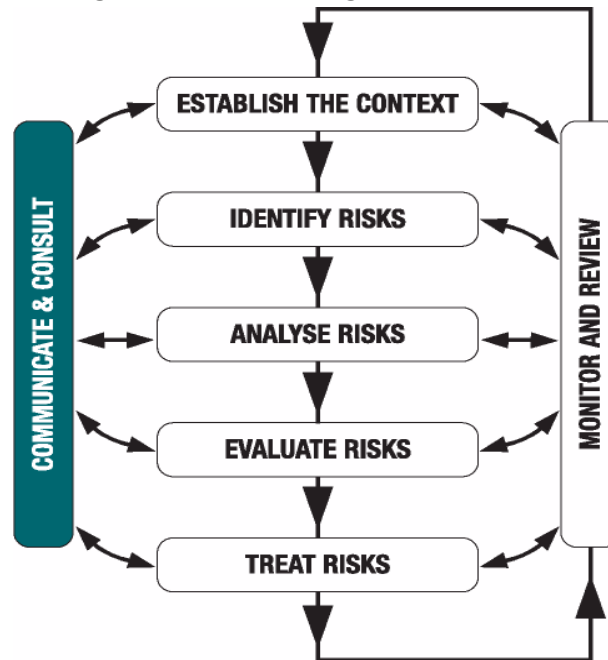
## **The Tourism Risk Management Process**

In this guide, the generic risk management process has been adapted to be specific to the needs and context of tourism. The process has been developed for destinations, but the same principles also apply to a tourism business or organization undertaking a risk management process.

The following diagram provides an overview of the risk management process which is based upon two enabling activities (*communicate and consult*, and *monitor and review*), and five major activities: establish the context, identify risks, analyse risks, evaluate risks and treat risks.



**Figure 8: Risk Management Process**



*(Source: Emergency Management Australia, 2004)*

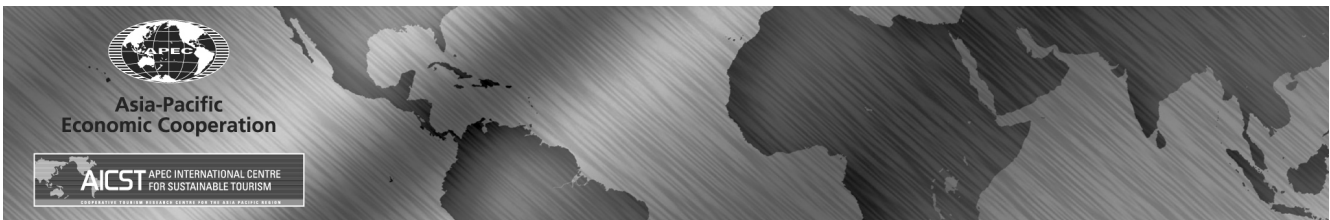
## 1. COMMUNICATE AND CONSULT

Communication and consultation are enabling activities which are fundamental to risk management, and they must be undertaken at each step in the process. A two-way process of internal and external communication and consultation must be established and maintained between decision-makers and stakeholders and a communication plan developed. Stakeholders' needs and opinions should be sought so that different views and areas of expertise are considered, so they understand the risks and the measures which will be taken, and so they contribute to the decision-making process. Adequate and appropriate communication and consultation will also ensure that stakeholders have a sense of ownership of, and commitment to, the tourism risk management process. It is essential to document all meetings and discussions with stakeholders.

Stakeholders in the tourism destination context include:

- politicians with an electoral or portfolio interest;
- emergency services (police, fire, ambulance and other services);
- tourism organizations and sectoral associations – at regional, state/provincial and national levels;
- government officials;
- hospital/medical personnel;
- non-government organizations;
- social welfare/recovery personnel;
- owners/managers of at risk facilities;
- experts/technical advisors;





- industry representatives;
- airport and port operators;
- utilities operators (gas, electricity, water, etc);
- community action/interest groups; and
- media.

## 2. MONITOR AND REVIEW

Monitoring and reviewing are enabling activities which are essential so that continual improvements can be achieved and to ensure the currency and relevance of the tourism risk management process. Risk doesn't remain static, so it's essential that tourism risk management is an ongoing process with regular monitoring and review of hazards, elements at risk, and the progress, outcomes and efficacy of risk treatment measures. Systematic monitoring and review systems should be developed and maintained by:

- establishing arrangements for monitoring, reviewing and documenting risks as part of the tourism risk management strategy;
- developing a risk register computer database;
- repeating the risk management cycle on a regular basis;
- measuring progress and incorporating it into management performance measurement and reporting systems;
- evaluating lessons from review processes and incorporating them into plans; and
- amending plans and procedures as required.

### ***STEP 1 – Establish the Context***

This first step in the tourism risk management process is to establish the basic parameters or framework within which the risk management activities will take place, and to develop the criteria against which risk is to be evaluated. It includes identifying relevant policies, systems, procedures and intra-organizational and inter-organizational relationships. The organizational context includes the internal and external environment.

1. Establish the basic parameters. Identify:
  - the nature and scope of issues to be addressed to ensure the safety of the destination;
  - relevant disaster/emergency management legislations, policies and management arrangements;
  - public health issues, occupational health and safety requirements and issues, and liabilities; and
  - relevant political, social, cultural and environmental factors.
2. Identify stakeholders and their concerns, perceptions of risk, and values.
3. Establish relevant community structures and arrangements.
4. Develop risk evaluation criteria for the destination (in consultation with all stakeholders).



Examples of risk criteria might include:

- Any preventable disaster which causes damage to infrastructure or affects the continuity of normal tourism business is unacceptable.
- Any preventable disaster which results in serious disruption to community utilities (power, water, sewerage, etc) is unacceptable.
- Any preventable outbreak of disease or epidemic which causes illness or deaths in the community and to visitors is unacceptable.
- Any preventable disaster which results in significant or long-term social disruption to the destination is unacceptable.
- Any preventable accident to a visitor which results in loss of life is unacceptable.
- Any preventable incident which affects the safety and security or confidence of visitors in the destination is unacceptable.

Establishing the concerns and perceptions of risk within the destination is of paramount importance in establishing the context and developing risk evaluation criteria.

Stakeholders should, as a result of consultation and communication, have a shared understanding of the process to be undertaken, its objectives and tasks, and the factors which might affect the process. Key information, meetings, decisions, outcomes and other relevant issues must be documented.

## ***STEP 2 – Identify Risks***

Step 2 in the risk management process is designed to identify the risks which are to be managed. A systematic process is necessary to ensure that all relevant risks are identified. Risk will change, so an important part of monitoring and review processes is to identify new risks which have emerged for a destination.

It is also essential to identify the susceptibility (the potential to be affected by loss) and resilience (a measure of how quickly a system recovers from failure) of the destination. Part of the tourism risk management process is to reduce the level of susceptibility and increase the resilience of the destination.

1. Gather information on hazards (sources of risk) from scientific data, disaster management sources, records of past events, consultation with stakeholders and experts. Develop a list of all hazards.
2. Identify each hazard against descriptors (duration, scope of impact, etc). (See earlier section of this chapter titled, The Nature of Disaster.)
3. Describe the elements at risk: who or what will be affected by each of the hazards. These elements include:
  - people;
  - environment;
  - facilities;
  - infrastructure;
  - utilities; and
  - economy.

### Example of Elements at Risk for a Destination

Sources of risk (hazards)	Elements at Risk			
	people	environment	utilities	infrastructure
Tsunami	✓	✓	✓	✓
Epidemic	✓	x	✓	x
Earthquake	✓	✓	✓	✓
Crime against visitors	✓	x	x	x
Riot	✓	x	✓	✓

- Identify the risk relationship. Review each hazard and the elements at risk and identify if there is a relationship between them. If so, establish the reason for the relationship.

Develop risk statements for each of the relationships identified. Examples:

- There is a risk that flooding within the town will inundate the X visitor hotel.
- There is a risk that in the event of bad weather there could be an aircraft crash with loss of many lives including visitors.

These risk statements will be used as a tool for analysis and evaluation.

Source of risk	Element at risk	Relationship (example)
Flood	Visitor hotel	Inappropriate siting of building on known flood plain.
Aircraft crash	People, infrastructure	Inadequate all-weather navigation aids at airport.

### STEP 3 – Analyse Risks

The purpose of analysing risks is to develop an understanding of the risks the destination is facing. This understanding will assist in the decision-making on which risks need to be treated and in identifying the best risk treatment strategies to apply. The step includes analysing the likelihood and consequences of risks, and also the existing control measures.

- Identify existing control measures and assess their effectiveness in minimizing likelihood and consequences.

Examples of existing control measures for flood might include:

- Flood plain management systems;
- Evacuation plans;
- Warning systems;
- Emergency services units trained and equipped for flood rescue tasks;
- Municipal response and recovery plans;
- Annual exercises (tests) of plans and personnel; and
- Public education program.

- Establish forms of qualitative and quantitative analysis.



- Qualitative analysis – words are used to describe the magnitude of potential consequences and of the likelihood that those consequences will occur.
- Quantitative analysis – uses numerical values for likelihood and consequences.

**Example: Qualitative Measures of Consequence for Tourism Risk Management**

Level	Descriptor	Description
1	Insignificant	No disruption to destination; no disturbance of visitors; no financial loss; no media or public interest.
2	Minor	Minimal disruption to destination and visitors; limited or no financial loss; no media coverage or public interest.
3	Moderate	Short-term disruption to destination and services to visitors; some financial loss; limited media reporting.
4	Major	Disruption to destination and services to visitors for more than 24 hours; financial losses, anger and frustration on the part of visitors; critical media reports and public criticism of destination.
5	Catastrophic	Unable to meet visitors' requirements and provide normal service type and level; severe financial losses; widespread criticism of destination; critical international media reports; mass cancellation of bookings.

**Example: Qualitative Measures of Likelihood**

Level	Descriptor	Description
A	Almost certain	Is expected to occur in most circumstances
B	Likely	Will probably occur in most circumstances
C	Possible	Might occur at some time
D	Unlikely	Could occur at some time
E	Rare	May occur only in exceptional circumstances

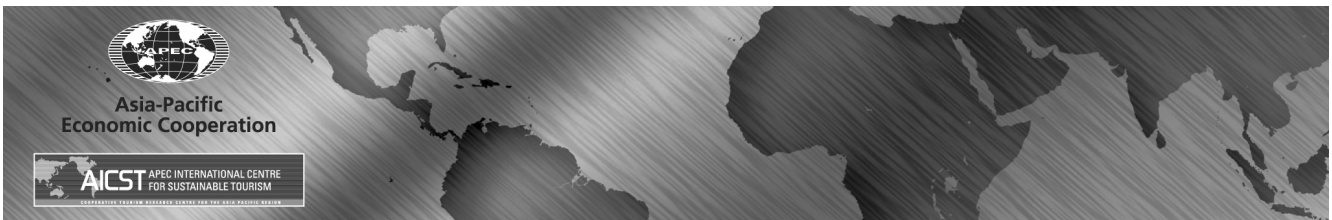
**Qualitative Risk Analysis Matrix – Level of Risk**

Likelihood	Consequences				
	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (almost certain)	H	H	E	E	E
B (likely)	M	H	H	E	E
C (moderate)	L	M	H	E	E
D (unlikely)	L	L	M	H	E
E (rare)	L	L	M	H	H

**Legend:**

- E: Extreme risk; immediate action required
- H: High risk; senior management attention needed
- M: Moderate risk; management responsibility must be specified
- L: Low risk; manage by routine procedures

Any risk which has the potential for catastrophic, major or moderate (negative) effects upon a destination and is almost certain to occur, must be acted upon as a matter of priority. At the opposite end of the priority list will be any risk which occurs only rarely, if at all, and has only little if any effect on destinations. No destination has infinite resources to apply to risk treatment measures, so it's necessary to work out what must be done to protect the destination in priority order. One simple but effective way of categorizing these measures is into:



1. Must do.
2. Should do.
3. Could do.

#### **STEP 4 – Evaluate Risks**

Decisions have to be made about which risks have to be treated and in what order. The previous activities in risk analysis will provide the information on which to make those decisions. Decisions on risk treatment needs and priorities must be aligned with the destination's expectations, values and perceptions of risk.

1. Establish treatment needs and priorities in descending order. Where the same rating level is allocated to a number of risks, the protection of life should be a higher priority than protection measures for property, infrastructure, utilities or the environment.
2. Stakeholder consultation is essential.
3. Document:
  - The risks which are not to be treated.
  - The risks which will be treated in order of priority.
  - How the decisions were arrived at.

Always monitor and review risks that you decide not to treat because priorities and circumstances may change over time.

#### **STEP 5 – Treat Risks**

Before risks can be treated it is necessary to identify the options available, to assess the relative merits of each, and to select the most appropriate. Risk treatment plans should then be developed and implemented.

Standard risk treatment options available include:

- *avoid the risk* - choose not to proceed with an activity likely to generate risk;
- *reduce the likelihood of consequences* by modifying the risk;
- *reduce the consequences of occurrence* - by modifying susceptibility (exposure to the risk eg, through best practice systems: building evacuation plans, sprinkler systems and trained staff will reduce the consequences of fire in a visitor hotel) and/or increasing resilience (capacity to sustain losses);
- *transfer the risk* – have another party accept or share the risk (eg, insurance companies – are the premiums affordable, is protection available?);
- *retain the risk* - accept the risk and plan to manage the consequences (but only if the consequences are able to be managed without adversely affecting the destination or the perceptions of visitors);



- *prevention/mitigation* – legislation, building codes, land use management, relocation of people/property (eg, from flood plains), engineering strategies (eg, using structural methods to reduce exposure to hazards, including levee banks);
- *preparedness* – awareness and education programs, development of response and recovery plans, training and testing, development of visitor information, communication and warning systems, development of mutual aid arrangements between destinations;
- *response* – implementation of plans and standard operating procedures, effective acquisition and application of resources to tasks, provision of accurate and timely warning and visitor information messages, search and rescue activities, personal protective equipment for response personnel; and
- *recovery* – restoration of essential services and facilities and normal business in the destination, financial and psychosocial supports, temporary housing, collection and distribution of appeal funds.

Some criteria for assessing which options are applicable include:

- Is the option affordable?
- Is it the most cost-effective?
- Will it be endorsed by government?
- Will it be accepted by stakeholders, including visitors?
- Will it encourage further risk reduction measures by others?
- Is it too complicated or difficult?
- Will it provide long-term benefits?
- Will the benefits be realized quickly?
- Will it adversely affect the destination?
- Should we be funding this or can/should other agencies or government share the cost?
- Will this treatment option create new risks for the destination or the industry?

Destinations need to consider a cost-benefit analysis for proposed treatment options to ensure that the treatment is realistic in economic terms. It may be that a tourism organization within the destination, the country, or from overseas could be approached to assist with resources to implement the risk treatment plan. Where the local or regional economy is heavily dependent upon the tourism industry, costs might be shared by community or government organizations.

### **Risk treatment plan:**

The following steps must be addressed in the risk treatment plan:

- Allocate responsibilities;
- Identify timelines;
- Decide methods of implementation;
- Establish expected outcomes;
- Source and allocate budget;
- Identify key performance indicators and milestones; and
- Establish monitoring and review processes.



### **Establish and maintain regular monitoring and review of:**

- decisions and decision-making processes;
- expectations and attitudes;
- new sources of risk;
- risk ratings and priorities of existing hazards;
- allocation of risk ratings and priorities to newly identified hazards;
- elements at risk;
- implementation of existing risk treatment measures;
- additional risk treatment measures to be implemented;
- responsibilities for implementation; and
- timelines for each stage and project completion.

Continue communication and consultation with stakeholders on progress of risk treatment implementation.

### **Residual risk**

Not all crises can be avoided or prevented.

No matter how effective tourism risk management processes are, crises and disasters will still impact upon destinations and the tourism facilities within them. The tourism industry has learned to its considerable cost that even the possibility of a biological disaster (pandemic) is sufficient to cause a crisis in the industry. The Queensland Government, Australia (2002) has identified that certain events may trigger or magnify other factors; for example, increases in the cost of public liability insurance for tourism operators as a result of the September 11 terrorist attacks in New York.

Residual risk is the term given to the risk remaining after the implementation of risk treatment measures. The treatment of residual risk is to develop plans to respond to and recover from crises and disasters.

Tourism should develop risk management plans and also contribute to multi-agency community disaster plans.

### **📖 Chapter Summary**

This chapter considers the key elements of crises and disasters and their effects upon businesses/organizations and destinations, and identifies the role of the tourism industry in risk management. The chapter provides a practical framework within which tourism destinations and businesses/organizations can identify, analyse, evaluate, treat, monitor and review risks and identifies the critical role of the tourism industry in contributing to the development and implementation of multi-agency disaster management plans and systems.





## The South Asia Tsunami and Recovery of Tourism in the Andaman

On 26 December 2004 a massive undersea quake off the coast of Sumatra generated a series of overwhelming tsunami waves which battered the exposed coastal regions of 14 different countries bordering the Indian Ocean. With over 230,000 recognized fatalities and 1.7 million homeless; schools, hospitals, businesses, infrastructure and entire villages were effectively washed away. In Thailand, Maldives, India and Sri Lanka many of the areas affected also corresponded with tropical sun, surf and sand destinations experiencing the apex of Christmas vacations and high tourist season. Given the large number of foreign casualties, media attention and visibility afforded by abundant video footage and photos, the world was inundated with images of the tsunami, death and complete destruction.

While it may never be possible to accurately assess the full socioeconomic cost of this disaster based on the number of popular destinations impacted, damage experienced and unfortunate timing of the event, Francesco Frangialli of the World Tourism Organization (UNWTO) has described this tsunami as "the greatest catastrophe ever recorded in the history of world tourism" (2006). Beyond the obvious and direct physical impacts, affected areas such as Southern Thailand have also been faced with the loss of their primary income and livelihoods - derived from tourism revenues. Amidst the immediate search, rescue and reconstruction efforts these destinations have been challenged with the predicament of managing a serious tourism crisis.

### The Event

For the residents and tourists in Phuket and the Andaman region, the first natural sign of the impending tsunami was the earth tremors felt at 7:58am on Sunday 26 December 2004 corresponding with the massive undersea quake in the Sunda Trench. Lacking a localized monitoring or warning system, experts at remote centres were slow to appreciate the possible danger that this quake signified. While it has since been acknowledged that a potential tsunami warning was issued to Thai Government officials approximately 15 minutes before the first waves impacted the local coastline, the region lacked the appreciation, understanding or communications network to effectively warn all of the at risk regions and communities. Preceding wave behaviour and subsequent height varied in accordance with differences in the local geography, however, as few were aware of the natural indicators, the tsunami impacted on a generally unsuspecting and unprepared population. In addition to the physical damage and accumulation of debris, human deaths from the six affected Thai provinces have been officially recorded as over 8,200 (this figure includes those reported missing). Reflecting the international popularity of the Thai beachside destinations and resorts, 2,436 were foreign nationals from 37 countries.

### Impacts and Response

Like most destinations affected by the South Asian tsunami, the popular Andaman region of Southern Thailand experienced an immediate exodus of tourists. While actual numbers vary depending on proximity to the coast and damage suffered, the experience and uncertainty of the event was sufficient to generate continued concerns for personal safety and security. Occupancy rates in many functioning coastal resorts quickly dropped to single figures. Although the majority of the luxury resorts of Khao Lak, and along the east coast and isthmus of Phi Phi Don Island were effectively decimated, within 48 hours the regional tourism authority was able to publish an authoritative guide indicating that approximately 80% of accommodation providers within the region had suffered minimal or no physical damage.

Experienced in a variety of human and natural disasters the Thai Department of Disaster Prevention and Mitigation were able to rapidly and effectively coordinate operational response efforts, despite the scope and breadth of the disaster. An Emergency Operations Centre (EOC) was established in the unaffected regional capital of Phuket City with intentional integration of emergency response, community and victims' relief, media, communications, tourism, medical services and embassy



representatives. While all initial enquiries were directed to this coordination centre, smaller centres were also established in hospitals and affected provinces. Volunteers assisted at the EOC, medical facilities and the airport, while accommodation and service providers donated food, shelter and support for victims and emergency responders.

In the high profile tourist resort of Patong most utilities were restored within days and the beach was quickly cleared of debris. With rapid evacuations and an initial distribution of resources, issues of food, water and sanitation never became a real threat for tourists. Yet, as repetitive images and stories of the disaster continued to dominate the media, most of the world was left with the impression that the entire island of Phuket had been devastated and blanket travel advisories were implemented. Disease and health epidemics related to stagnant water bodies and unrecovered corpses were seen as probable risks to travellers. Despite the influx of trained personnel, finances, resources and medical aid from around the globe, it proved difficult to relay credible information. As response efforts moved from search and rescue endeavours to further medical assistance, victim identification, repatriation, trauma/grief support and initial damage assessments, few authorities seemed willing to comment on popular speculation regarding a subsequent tsunami.

Local businesses, many of which lacked insurance, were left to consider future options and business viability. Where possible, stock was recovered, sold at discounted prices or restored to former condition. As hotels, buildings and resorts were fenced from public view and looting, debris accumulated in the street for removal by government and private-enterprise-sponsored contractors. While struggling with personal grief and loss, the community, all sectors of business, industry, and government worked together to restore the operational capacity and image of Patong and other less affected regional resorts. The national government offered official support and compensation for all direct victims. A conference hosted in Phuket by the World Tourism Organization and international industry experts developed the Phuket Action Plan to assist and guide the restoration of tourism throughout the affected regions

### **Rebuilding and Recovery**

With occupancy rates recorded below 40% within the first nine months following the incident, recovery has strongly focused on emotional support, physical reconstruction, safety and greater tourism sustainability. A subsequent earthquake (yet no resultant tsunami) on 28 March 2005 was sufficient to demonstrate a residual fear regarding this hazard. Consistent with the United Nations resolution to develop an Indian Ocean Tsunami Warning System, Thailand embarked on its own public warning system, complete with a string of coastal warning towers. With scheduled training evacuations, practice drills and improved local hazard awareness education, Thailand has strived to actively promote the message that it values the lives of both residents and tourists.

Organized journalist trips and high profile celebrity visits have also been staged to emphasize a return to conditions of safety and security. Extensive recovery plans implemented between the government, community and industry have sought to address many of the medium- and long-term issues associated with both tourism development and the tsunami including; environmental encroachment, water quality monitoring, resource use, and the proximity of structures to the coastline. While international arrival figures over the first anniversary of the tsunami (coinciding with a traditional peak tourist season) were encouraging for most, they were short of the optimistic predictions of full industry recovery.

Given the scale and severity of the disaster, the Andaman region has yet to fully recover economically yet, in terms of response and consumer confidence initiatives, this region has demonstrated relative success in its crisis management capacity. Awareness, local hazard education and communication may have been improved, however, all stakeholders have since become proactively involved in mitigation efforts and making the tourism product and destination more resilient to future adversity.

*(Source: Phuket Gazette, 2006; Wikipedia, 2006; and UNWTO, 2006)*



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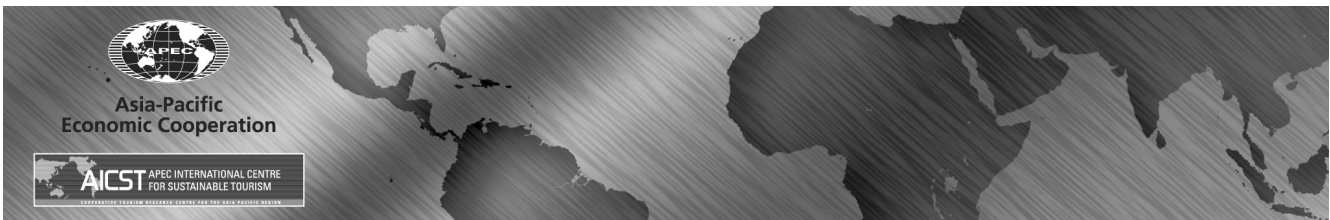
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## **CHAPTER 3: NATIONAL RESPONSIBILITIES FOR RISK AND DISASTER MANAGEMENT**

### **Aim of this Chapter**

The aim of this chapter is to examine the responsibilities of national governments in risk and disaster management, and to identify the structures and frameworks within which tourism operators and destinations can develop their own capacity to prepare for, respond to, and recover from, crises and disasters.

### **Risk Management at the National Level**

In general terms, national governments are responsible for the development, coordination and implementation of policies relating to risk and disaster management. National governments establish strategic directions for risk and disaster management processes and, in most countries, provide the funding for related activities. Strategies are developed by the responsible government departments hosting multi-agency committees with representation from all key stakeholders.

As a significant global industry, tourism is a significant contributor to the economy of most countries, but it plays a key economic role in developing countries where it can provide the primary source of foreign exchange and be a major driver of economic development. As the world's largest non-government economic sector, tourism is particularly vulnerable to the impact of disasters.

As outlined in Chapter 1, the tourism industry needs to draw to the attention of national governments the legislative, regulatory, and social environment in which tourism operates, the possible threats to its continued activity from actual or threatened disasters, and the subsequent effects upon a national economy of any downturn in tourism activities.

### **Coordination and Partnerships – A National Tourism Council**

The World Tourism Organization (UNWTO) is a specialized agency of the United Nations. With a current membership of 150 countries, seven territories and over 300 Affiliate Members representing the private sector, educational institutions, tourism associations and local tourism authorities, the UNWTO provides a global forum for tourism policy issues. UNWTO recommends that countries 'develop a national policy on tourism safety commensurate with the prevention of visitor risks', and form national tourism councils with executive committees responsible for risk management in key areas, according to the needs of each destination. Mixed-sector councils comprising government and industry participants are essential since many of the necessary actions can and should be implemented by the private sector. A key committee of a national tourism council would be a national safety and security committee, responsible for developing and coordinating measures to protect the tourism industry and its clients at each destination. Government agencies and tourism industry sectors which should be included on a safety and security committee are:

- National tourism administration/Visitor Board;
- Police;
- Counter-terrorism/security agencies;
- Immigration Department;
- Attorney-General's Department;
- Customs;



- Transportation;
- Health;
- Foreign Affairs;
- Disaster Management;
- Airlines and transport company associations;
- Hotel associations;
- Tour operators' associations;
- Travel agents' associations;
- Other travel and tourism representatives;
- Consumer groups;
- Retail trade organizations; and
- Tourism safety and security-oriented research and documentation centres.

The following example from South Africa demonstrates a working partnership between government agencies and the tourism industry:



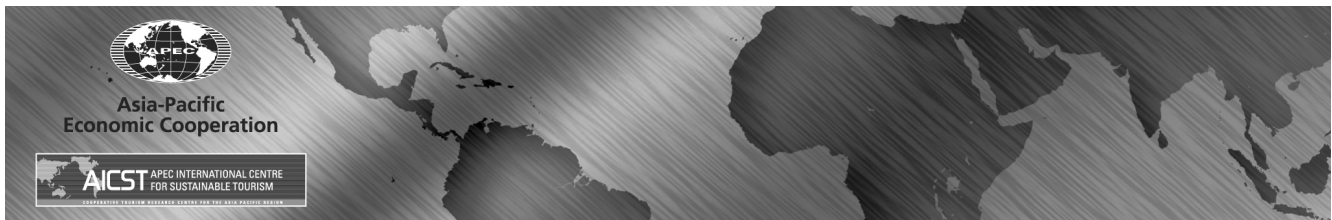
### **Visitor Safety and Security: The South African Experience**

Successful tourism depends on many factors including good infrastructure, the breadth and diversity of the tourism product, a vibrant and adaptable marketing and promotion strategy, good information systems and management, competitive prices, and a clean, healthy and safe environment. In South Africa the government believes that a proper conceptualization of the tourism industry by policy and decision makers is the key to success. The following approach has been adopted as the basis of tourism development and promotion. Tourism:

- is an unusual product and must be treated as such;
- integrates all life activities of a nation and is inter-ministerial and multi-disciplinary in nature and should therefore be integrated into all policies and be elevated to national priority status;
- is basically a service and people orientated industry whose success depends on the democratic involvement of all;
- tourism development and promotion can only succeed if it is:
  - Government-led;
  - Private sector (labour and business) driven; and
  - Community based.
- works only with a governance framework involving all stakeholders in a partnership for mobilization and joint application of resources.

The South African Government approaches visitor safety and security from the point of view of a partnership. A Tourism Safety Task Group (TSTG) was formed consisting of the Department of Environmental Affairs and Tourism, the South African Police Service (SAPS), the South African Tourism Board (SATOUR), the Tourism Business Council of South Africa (TBCSA), Business Against Crime (BAC), the Department of Foreign Affairs, and the nine provincial tourism departments.

*(Source: Extracted from a speech delivered by Deputy Minister Hon. Peter R. Mokaba, MP at the WTO Seminar on Tourism Safety and Security, Addis Ababa, Ethiopia, 25 April 1997)*



## **A National Tourism Safety and Security Plan**

As tourism is so critical to national economies it should be developed and managed as a matter of priority, and the development of a National Tourism Safety and Security Plan is recommended as a measure to achieve this. The plan should address the following main areas:

- potential risks to tourism;
- detection and prevention of offences against visitors;
- protection of visitors and residents from illicit drug trafficking;
- protection of visitor sites and facilities against unlawful interference;
- guidelines for operators of visitor facilities in the event of such interference;
- media management;
- information to be provided to the international travel trade on safety and security issues;
- crisis management;
- safety standards and practices in visitor facilities and sites including fire protection, theft, sanitary and health requirements;
- development of liability rules in visitor establishments;
- safety and security aspects of licensing for accommodation establishments, restaurants, taxi companies, and tour guides;
- documentation and information on visitor safety to the public, for both outgoing and incoming travellers;
- national policies on visitor health, including reporting systems for health problems of visitors;
- visitor insurance and travel assistance insurance; and
- research statistics on crimes against travellers.

Whilst in some countries these responsibilities are undertaken by national tourism authorities, other government agencies and key tourism industry groups should be involved as a major crisis will require a coordinated effort by them all.

## **A National Tourism Incident Response Plan**

Developed following the events of September 11 and updated in April 2005, the Australian National Tourism Incident Response Plan establishes a response framework and actions for the National, State and Territory governments to pursue in cooperation with industry to ensure rapid, detailed and targeted responses to incidents with a national impact of the tourism industry. The plan addresses incident monitoring and management and recovery and recognizes the importance of close collaboration between governments and industry when responding to major incidents. It ensures that incidents with a national impact on the tourism industry are managed in a coordinated whole-of-government way to minimize potential negative economic impacts to the industry. The Government is committed to working closely with industry to ensure the best possible outcome for the Australian tourism industry.

The plan includes arrangements to:

- communicate accurate and timely information to:
  - State, Territory and Australian governments and tourism organizations



- Australian and international tourism industry (including APEC, PATA and UNWTO)
- domestic and international travelling public
- ensure coordinated policy responses and remedies across governments; and
- coordinate and disseminate information relating to impacts of incidents on the tourism industry.

Developed as an 'all hazards' plan, the National Tourism Incident Response Plan will be implemented to respond to incidents including terrorism or war, disease outbreaks, natural disasters and other events that may impact negatively on the Australian tourism industry. It contains generic arrangements for response as specific requirements will vary, depending on the nature and scope of an event. Importantly, though, it does suggest that each jurisdiction prepare its own plan, consistent with the national arrangements. The plan is authorized by the Tourism Ministers Council, which includes National, State and Territory Tourism Ministers.

### **Business Continuity Planning Guide for a Human Influenza Pandemic**

A further support to the tourism industry by the Australian Government is the recently released business continuity guide and small business kit designed to provide practical information and planning tools to assist businesses, including tourism operators, in their preparations for a potential human influenza pandemic. The guide, *Being Prepared for a Human Influenza Pandemic – A Business Continuity Guide for Australian Businesses*, and the kit, *A Kit for Small Businesses*, were prepared by the Australian Government in consultation with industry associations.

The guide encourages businesses to rethink their existing contingency strategies to cope with these types of pandemics and is designed to:

- give an overview of the current situation in regards to avian and pandemic influenza and the role of the Government;
- allow for consideration of potential impacts of a pandemic on businesses in Australia; and
- provide business continuity planning steps to minimize impact of a pandemic, protect staff and manage customers and stakeholders.

The kit is a comprehensive planning tool for businesses and provides a detailed overview of the 10 business continuity planning steps for dealing with a pandemic, as well as additional information resources for business preparedness.

Both can be downloaded from the Department of Industry, Tourism and Resources website at [www.industry.gov.au/pandemicbusinesscontinuity](http://www.industry.gov.au/pandemicbusinesscontinuity).



#### **PATA and Project Phoenix**

It struck suddenly, and with devastating consequences for the Asia-Pacific region: SARS - Severe Acute Respiratory Syndrome - took the lives of more than 900 people. By the time medical authorities had the disease in check, SARS had also taken a heavy toll on regional economies, particularly in the travel and tourism sector. As fear of travel grew disproportionately to the actual risk, billions of dollars and thousands of livelihoods were lost as global consumers chose not to travel, not only to SARS affected destinations but to countries throughout the region.

Following on from the terror attacks in Bali and the Iraq conflict, the SARS outbreak was the worst





crisis in the relatively short history of international tourism. Asia-Pacific destinations suffered a decline of more than 14 million visitor arrivals in the first six months of 2003.

### **Project Phoenix**

The SARS crisis demanded a strong and effective response to combat the fears of global travellers. On behalf of the industry, PATA created Project Phoenix, a bold initiative to restore consumer and business confidence in travel to and within the Asia-Pacific region.

PATA appointed a leading public relations company and tourism communications expert to manage Phoenix which was essentially a communications program to deliver positive images and messages about the region through TV, print and online media. The end result far surpassed expectations with Phoenix achieving high levels of consumer response in less than four months. It had three specific purposes, to:

1. restore consumer confidence in the travel experience;
2. create a consistent single voice for travel and tourism in Pacific Asia; and
3. drive business back to Pacific Asia destinations.

### **TV Campaigns**

Phoenix faced two major communication challenges: first, to persuade scared, sceptical travellers that it was time to put Asia-Pacific back on their list of travel destinations; second, to gain as much 'free ink' as possible by leveraging its relationship with global media companies and creative publications. It succeeded on both counts. A great example was the 'Welcome Back' campaign on CNN, with US\$1 million of airtime, reaching 130 million global households and a TV commercial that tapped into the hearts of travellers everywhere. Phoenix created campaigns with BBC World and the National Geographic Channel as well as producing its own SMILES campaign.

### **Print Ads**

As part of the 'Welcome Back' campaign, two print ads were rotated in TIME magazine, (US and International editions) and Fortune magazine, (Europe and Asia editions). Phoenix also produced print ads as part of the SMILES campaign, one aimed at consumers, the other at trade. Both provided acknowledgement and brand exposure for Phoenix contributors. These ads were supported by National Geographic Traveler Magazine, Newsweek, Travel Trade Gazette (TTG Asia), Travel Weekly, Travel Trade Report and the STS Times.

### **Publicity**

PATA had two basic objectives with its publicity drive. One was to achieve as much positive coverage as possible, through the efforts of Phoenix and MDK consultants. The other was to use Phoenix to build PATA's public profile, to demonstrate to members and the industry at large that PATA was vigorously embracing its new strategic mandate to be a vocal advocate on the key issues impacting the region. Phoenix succeeded in generating positive media coverage in consumer and trade publications in excess of US\$2 million.

### **Promotions**

Another Phoenix strategy was to harness the creative energy and support of the 70 PATA Chapters around the world. In the United States for instance, there are 20 Chapters with more than 3,000 individual members. PATA's regional office in Europe, Americas and Pacific worked closely with the Chapters to spread positive messages about Asia-Pacific and restore confidence in travel to the region.



### **Post Phoenix**

As campaigns and communication channels were developed through Phoenix, PATA learned valuable lessons in the process. PATA, the Phoenix contributors and the broader industry are now better prepared to deal with the next crisis to hit the region.

The fact that so many NTOs and industry players came together in such an unprecedented display of regional cooperation is itself an encouraging development given the challenges that no doubt lie ahead.

### **The New Website**

A critical element of Phoenix was the creation of a new consumer website – [TravelWithPATA.com](http://TravelWithPATA.com). Its main purpose is to give consumers a source of reliable and accurate information about travel in Asia-Pacific as well as the travel news, advice, destination guides and many other features. The site will be a valuable tool for PATA in the event of future setbacks. In times of crisis, such as the SARS outbreak, consumers are often confronted with misconceptions and myths about the dangers involved. Often there is nowhere to turn for a credible, independent point of view. [TravelWithPATA.com](http://TravelWithPATA.com) will ensure global consumers get the real picture when they need it most.

*(Source: Extracted from a series of interviews with Peter De Jong, President – PATA; and [www.TravelWithPata.com](http://www.TravelWithPata.com))*

## **Counter-Terrorism and Consequence Management**

Events since September 11 in New York have required governments to develop measures for the protection of their citizens, infrastructure and lifelines (power supplies, water and sewerage) from terrorist attack. Following the London Underground bombings of 7 July 2005, much of the international counter-terrorism (CT) focus has been on the mass transportation infrastructures of countries at high risk of attack. On 11 July 2006, seven terrorists' bombs exploded on evening peak hour trains in Mumbai, India, killing more than 200 people and injuring over 700.

National governments (and where applicable, state/provincial governments) have addressed the risk of terrorism in different ways using a variety of organizational structures, but one aspect is common to all – that the consequences of a terrorist incident will be managed within a disaster management framework. In the initial stages of a terrorist attack (and the London Underground bombings are a good example of this), authorities may not know the source of the incident (it may be assumed to be an explosion due to a gas leak, for example). Disaster management agencies, however, will still follow, as far as practicable, their normal procedures to carry out search and rescue, medical and fire-fighting activities. In other words, they will still need to manage the effects or consequences of the incident. Hence the new phrase in disaster management terminology – consequence management – to be applied to the use of emergency services or disaster management activities carried out in response to a terrorist incident. Confirmation of terrorist involvement will, of course, impose additional law enforcement/security requirements upon activities.

Generally the tourism industry and operators will have no direct role in, or responsibility for, the development or implementation of counter-terrorism plans (these responsibilities are vested in law enforcement, defence and specialist agencies of governments); however, given the potential impact of a terrorist event upon tourism infrastructures and destinations, industry representatives should liaise with national counter-terrorist committees and ensure that they are familiar with national arrangements and requirements. They should also provide specialist advice on vulnerable visitor sites and destinations to authorities. At a local level, tourism operators should liaise with police regarding protection and consequence measures.

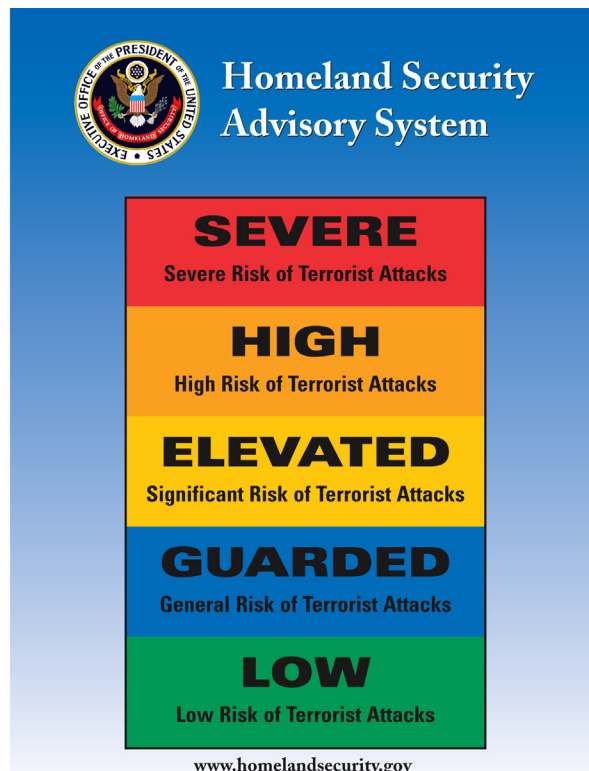
Some countries (including the United States and Australia) have sought to combine counter-terrorist and disaster management agencies in the one department to facilitate the coordination of CT and disaster management activities. In the USA, the Department of Homeland Security (DHS) was established in June 2002 by President George W. Bush. Tasked with the responsibility for anticipating, pre-empting and deterring threats to The United States, it is responsible for assessing the vulnerabilities of the nation's critical infrastructure and cyber security threats and for coordinating with federal, state, local, and private entities to ensure the most effective response.

The new Department of Homeland Security also absorbed the Federal Emergency Management Agency (FEMA) which was established in 1979 as the US Federal Government's disaster management agency.

Following the terrorist attacks on the World Trade Centre in 2001, the Australian Government moved agencies with a CT responsibility to the Attorney-General's Department, including Emergency Management Australia.

Tourism operators, destinations and national associations should always be aware of their own country's counter-terrorism plans and arrangements. This includes being aware of current alert levels (see example from US Department of Homeland Security below), and familiar with any special or additional measures that should be taken to protect visitors when the alert level is increased. Although national governments invariably depend upon intelligence-led prevention and preparedness strategies, the importance of an alert public in detecting and reporting early signs of terrorist activity is critical.

**Figure 9: Example threat level: US Department of Homeland Security**



Tourism operators should develop their own Standard Operating Procedures (SOPs) as part of a crisis management plan to identify measures to be undertaken with increased threat levels. National police and security/defence forces should be consulted for specialist advice. For further information on the development of SOPs for tourism operators, see Chapter 4.



## Bali and Terrorism: Learning from the Past

Following the bombings of a Kuta nightclub on 12 October 2002, government, industry and the community in Bali were forced to implement a series of reactive strategies to respond to and cope with the resulting tourism crisis. Recovery of consumer confidence and revenues had been a slow and laborious effort hindered by repeat terrorist incidents in the national capital of Jakarta, SARS, the introduction of fee-based visas, and numerous high profile drug trafficking cases involving foreigners.

From the experience of the Kuta nightclub attacks, local residents had developed a greater awareness and appreciation of how vulnerable the tourism industry and their livelihoods really had become. As many migrated or returned to villages others sought alternative employment, education and training. The export market for craft, furniture and textiles was successfully expanded. However, with limited personal income or foreign investment, opportunities for economic diversification were limited. The government and tourism sectors worked to improve existing security measures, provide safety reassurances and promote a value experience for all visitors. Using networks, skills, resources and understanding developed post-bombing, the community of Bali successfully worked on education and environmental campaigns and even contributed to the recovery efforts following the South Asian tsunami. While no formal disaster management plan was implemented for the island, local measures and understanding helped to enhance capacity and resource management.

Despite continued cautionary travel advisories and a changed consumer demographic, by September 2005 visitor arrivals at the international airport in Bali had passed all previous records. As tourists were once again enjoying the “Bali experience” on the evening of 1 October 2005, a second series of terrorist attacks occurred inside eating areas of the popular shopping district of Kuta Square and nearby Jimbaran Bay. Rather than a remotely detonated larger explosive, these bombs were smaller and concealed inside the perpetrators’ backpacks. Compacted with projectiles, the explosions caused 22 fatalities (including the three suicide bombers) with a further 123 injured. While most were Indonesians, the fatalities included four Australians and one Japanese.

Given their recent experience, the emergency response to the incident was relatively effective and coordinated. As community, industry and international leaders again expressed condemnation, media and operational centres were established to coordinate information and assistance. While media attention focused on the damage and destruction, the official spokesperson, General I Made Mangku Made Pastika, Provincial Head of Bali’s Police Department, (responsible for investigations following the first series of bombings) provided the known facts, outlined investigations and highlighted the efforts of government, community and the tourism industry in responding and maintaining safety and security measures. He emphasized that the change in terrorist tactics to smaller concealed bombs was a testament to improved security measures and that, in light of similar attacks in London and Madrid, terrorism had become a global issue.

Unlike the first terrorist bombings in Bali, there was not a mass exodus and immediate decline in tourist numbers. Bali’s second tourism crisis has been more progressive and gradual. Many optimistic commentators speculated that perhaps the travelling public had become more tolerant and accepting of the inevitability of terrorism; however while the second terrorist attacks were less destructive or severe, they established a suggestion of frequency. As travel advisories were once again introduced by overseas governments, succeeding months saw regular updates highlighting further “imminent” terrorist attacks directed at tourists. Domestic and regional tourism promotions were enhanced but proved insufficient to meet the shortfall in local business and income. Seemingly content with initial response and visitor reactions, there is limited evidence of money or resources allocated to medium- or long-term recovery initiatives. Although Bali has continued to win numerous



international awards for quality of product and service, there appears to have been minimal public or tangible actions to address concerns regarding risk, safety and security.

Declining numbers once again saw a reduction in air services and routes. The locally established Air Paradise airline collapsed as a consequence of mounting business costs. As the traditional market base continues to change, the industry has strived to promote niche markets such as health tourism and a more culturally based experience. For much of the travelling public Bali has now become associated with the problems of greater Indonesia including political and social unrest, terrorism and natural disasters. While the industry has supported local education, training and scholarship programs, and strived to improve community cooperation and relations, continued issues of resource use and environmental destruction undermine collaborative efforts. As the people of Bali demonstrate remarkable resilience and persistence, the island still struggles to recover from this crisis of consumer confidence.

Although Bali has yet to see a revival of revenues or tourism numbers, the second terrorist attack reveals the value of learning from past experience. Whether or not as a consequence of improved safety precautions, the bombing and subsequent damage was significantly reduced in the 1 October 2005 incident. Experience, networks and skills that had been developed assisted in:

- effective coordination of emergency response personnel and resources;
- establishment of an identifiable operations and media centre;
- identification of a credible spokesperson to brief the media;
- improved communications capacity utilizing honesty, authority and placing the incident into the wider context; and
- greater integration of community, industry and government strategies.

While tourism and industry sustainability is yet to be achieved for Bali, their experience demonstrates the value of awareness and the processes involved in risk and crisis management. It should be a continuous, collaborative effort that all stakeholders strive to understand and improve. Similarly, while tourism may seem relatively resilient, destinations and stakeholders must consider and plan beyond immediate issues.

*(Source: Bali Discovery, 2006; Bali SOS, 2006; and PATA, 2006)*

## **Preventing Organized Crime**

At the national level, tourism authorities can assist the actions of police and other agencies in combating organized crime by supporting actions designed to prevent criminals and weapons entering their country. This includes endorsing the use of control systems at airports and other ports of entry.

Another measure in preventing organized crime is to identify the nature of violent or criminal acts and to design relevant information campaigns for visitors and the domestic and international travel trade. Organized violent crime is usually highly targeted, even though it may appear random.

When Mexico, for example, realized that it had crime problems related to automobile and coach travel, it instituted a visitor police highway service, the 'Green Angels' (a fleet of radio-dispatched trucks with bilingual crews operating daily to provide protection, medical first aid, mechanical assistance, and basic supplies to travellers), and developed and disseminated information materials for visitors on safe travel by car and coach in Mexico.



## Tourism and Child Protection

While tourism has long been acclaimed for its employment, income and investment-generating capacity, the darker side of tourism also reveals exploitation of the weak and vulnerable. Sex tourism, trafficking, pornography and child prostitution are forms of organized crime and are unfortunately prevalent in many popular tourist destinations, particularly in developing nations. Although such activities are generally considered illegal both in the source market and the host community, victims have rarely been in a position to take any meaningful action.

The United Nations Convention on the Rights of the Child (Articles 34 and 35) says that *all children* should be protected from all forms of exploitation and sexual abuse including the exploitative use of children in prostitution, pornography and trafficking. Consistent with this convention many national governments are now taking a proactive approach towards increased awareness and overt child protection. As a collaborative effort between government, industry and communities, a number of policies and campaigns have been implemented to reduce the violence, exploitation and abuse of women and children perpetrated by tourists and foreigners. Supported by a variety of multinational laws and repatriation agreements, successful conviction can carry severe penalties.

Programs such as Child Wise Tourism, currently operating in Cambodia; Indonesia; Lao PDR; Myanmar; The Philippines; Thailand; and Viet Nam help to educate workers within the tourism sector and other travellers, how to identify and report situations where children may be at risk. Irrespective of international borders, foreign relations or cultural difference, such schemes demonstrate how collaborative endeavours within tourism can actually play a vital role in reducing risk and vulnerability.

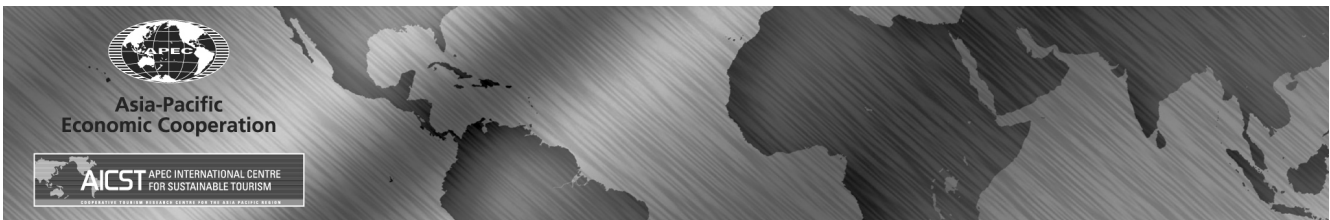


(Source: Child Wise, 2006)

## Tourism Risk Management in the Pacific Region

A review of the types of risk that need to be managed in the Oceania region (Wilks, 2003) revealed that many Pacific Islands have a similar profile with no serious safety or security concerns, some petty crime, cyclones and seismic activity, and a range of possible infectious diseases (most notably dengue fever, hepatitis A and typhoid fever). Malaria was noted for the Solomon Islands and Vanuatu, while Japanese B encephalitis was mentioned for the Northern Marianas. The report concluded that the range of infectious diseases prevalent in the region highlights the need for all travellers to carry appropriate travel health insurance, especially cover for emergency medical evacuation. In many smaller and remote destinations adequate medical care will not be available should a visitor require emergency treatment.





## Disasters in Asia and the Pacific

Many Asian countries, especially those in South East Asia, are densely populated and prone to disasters which have a severe and negative effect upon their economies and development. Countries with long coastlines are repeatedly affected by cyclones (typhoons); floods are an annual feature in the region claiming lives and destroying huge areas of land in India, Indonesia and Bangladesh; flash floods are common in hilly and mountainous regions; seismic disturbances are very common in Asia; and in India the entire sub-Himalayan region is prone to earthquakes.

Landslides are increasingly common in hilly and mountainous regions causing extensive damage to roads, bridges, human dwellings, and land as well as loss of human lives. Volcanic eruptions have recently caused significant death and destruction. Diverse agro-climactic conditions account for the frequent occurrence of droughts in India, Pakistan, Burma and Indonesia, while regular epidemics of enteric diseases such as cholera, typhoid, respiratory infections, and vector-borne diseases are common. Cyclones and floods are seasonal events in the Pacific, while volcanic activity and earthquakes are additional and significant sources of risk to communities.

Disasters in Asia and the Pacific are also caused by civil disturbance, terrorism and transportation accidents.



### Transport Incidents

Transport incidents such as bus crashes, train derailments and ferry accidents are relatively routine emergencies throughout the developed world, yet when victims include a significant number of international visitors they generate a high level of media attention. The degree of media coverage often relates to the frequency, scale, and severity of the incident (particularly the number of injuries and fatalities); however, such publicity often serves to engender negative destination images and perceptions.

Although tourism and destination officials are not directly responsible for these incidents, the circumstances often warrant close scrutiny of accepted safety conditions and standards. Recent high profile bus crashes in Egypt (January 2006) have been attributed to speed and poor road conditions, while the visitor-chartered ferry that capsized off Bahrain killing 44 people in March 2006 was reportedly unstable and unlicensed. Similar incidents cite causes such as overcrowding, insufficient safety equipment, poor operational conditions and general negligence. Ferry incidents and motorbike accidents had become so common in Thailand during 2005 that the Australian Government began officially to warn potential travellers of the hazards involved in using these forms of transport.

While many countries have legislated minimal safety standards, compliance and maintenance is often the responsibility of individual operators. As part of a proactive risk management process, individual businesses should endeavour to review and implement best practice safety procedures, as government and industry should pressure dangerous operators to conform through enforcement of safety codes and legal requirements.

Common preventative strategies for businesses and operators include:

- regular safety audits of vehicles/equipment/facilities;
- scheduled inspection, maintenance and repairs;
- employee safety training/certification;
- reviewing and adherence to minimum safe operational conditions eg, maximum capacity,





- safety equipment, evacuation procedures, environmental conditions; and
- insurance (requires safety compliance).

Resumption of tourism operation and business following high profile transport accidents is often dependent on the extent of operator culpability and the effectiveness of subsequent public relations. Crisis communications should be timely, express appropriate sympathy/empathy/sensitivity and be based on the established facts. Where possible, the incident should be contextualized within a broader history or record for safety and visitor satisfaction. There should also be adequate victim and family support. Effective recovery usually requires a demonstrated ability to communicate and address the safety concerns of prospective clientele.

*(Source: ABC News, 2006; BBC News, 2006; and DFAT, 2006)*

### **National Disaster Management Arrangements in Asia and the Pacific**

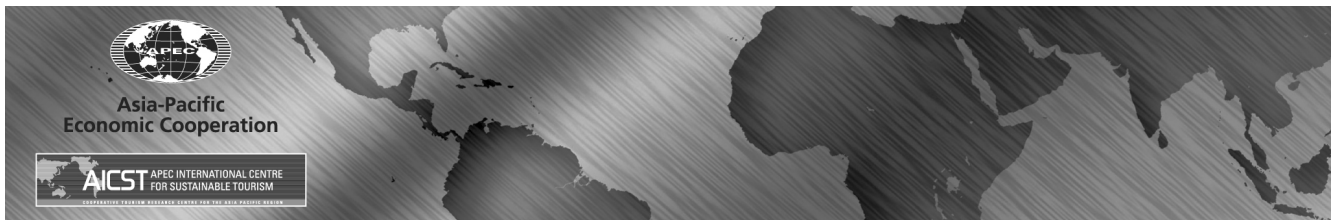
National Disaster Management Councils exist in one form or another in most Asian and Pacific nations where the past decade or so has seen a paradigm shift from relief and response activities to a comprehensive disaster risk management framework. In general, disaster management and risk reduction strategies are linked to national and international drivers including economic development and poverty reduction strategies and the UN Millennium Development Goals.

National Disaster Management Councils (or equivalent agencies) provide advice to governments, develop policies and strategic directions in disaster management, coordinate activities, and provide frameworks within which plans can be developed and implemented. In general, disaster management responsibilities are allocated to national, state/provincial, district and local governments. The main responsibilities of the national governments are to develop and maintain relevant legislation, allocate responsibilities, provide national security, stability and prosperity and to provide strategic directions. The district and local level governments are normally tasked to provide services, amenities and controls for the health and well-being of their communities.

The systems for disaster management in Asia follow similar general patterns but there is no consistent model. However, the recent and widespread shift from response and relief to community-based, comprehensive disaster risk management programs includes a focus upon partnerships between national and local governments and non-governmental organizations to promote risk reduction and disaster preparedness. The requirements and input of tourism operators and associations are consistent with this multi-focus, community-based approach to disaster and crisis management.

Examples of national disaster management arrangements in Asia and the Pacific include:

- The Philippines' National Disaster Coordinating Council which was established by Presidential decree in 1978 as the highest policy-making body on disaster-related matters. There are also regional and several levels of local coordinating councils.
- Viet Nam is subject to flood, typhoon and drought and these are being addressed through the Second National Strategy for Disaster Mitigation and Management (2001–2010) which has identified mitigation measures and principles and the key tasks of the National Committee for Disaster Mitigation and Management.
- Thailand has a National Civil Defence Committee as well as plans for disaster management at each level, with support from the national level. In October 2002 a new department of Disaster Preparedness and Mitigation was established in the Ministry of Interior, consolidating functions previously undertaken by several departments.



- The Government of Bangladesh has disaster management committees at the national and field levels and a Disaster Management Bureau and Department of Food and Disaster Management. Their Comprehensive Disaster Management Program (CDMP) is based upon a disaster risk management culture with programs including partnership development, community empowerment, capacity-building, research information management, and response management. CDMP seeks to ensure that disaster management is integrated within the core business of government, with strong links with development planning. Local Disaster Action Plans have been developed for 900 communities.
- The Cook Islands has a National Disaster Council as the focal point for all disaster management activities with a National Disaster Management Office as the secretariat of the NDC. The Outer Islands Island Secretary and Island Council Mayor are responsible for the development of disaster management activities on their respective islands. The island system is modelled on the national system to ensure uniformity. The National Disaster Council assists them by providing guidance, policy advice and resources.

Comprehensive Disaster Management Programs (CDMPs) jointly funded by the United Nations Development Program (UNDP) and the Department for International Development (DFID) have been launched in many Asian countries since November 2003. The United Nations International Strategy for Disaster Reduction (UNISDR) underpins the development of disaster management programs in Asia and the Pacific.

### **The Asian Disaster Preparedness Centre**

Training, education and support are available through the Asian Disaster Preparedness Centre (ADPC) in Bangkok (<http://www.adpc.net>). Established in 1986 with financial assistance from the United Nations Development Program (UNDP) at the recommendation of the United Nations Disaster Relief Organization (now the Office for the Coordination of Humanitarian Affairs - OCHA), ADPC is a non-profit organization supporting the advancement of safer communities and sustainable development through the implementation of programs and projects which reduce the impact of disasters upon countries and communities in Asia and the Pacific by:

- developing and enhancing sustainable institutional disaster risk management capacities, frameworks and mechanisms, and supporting the development and implementation of government policies;
- facilitating the dissemination and exchange of disaster risk management expertise, experience and information; and
- raising awareness and enhancing disaster risk management knowledge and skills.

The Centre is staffed by professionals from many different countries and draws upon the expertise and experience of some 350 associates and a network of more than 4,300 alumni spread across 75 countries.

The Centre's geographical area of interest embraces South East and East Asia, the Indian sub-continent and the Pacific. ADPC works closely with local communities, local and national governments and regional bodies to raise awareness, promote appropriate policies, establish sustainable institutional mechanisms, enhance knowledge and skills, and facilitate the exchange of experience and expertise on risk, disaster and crisis management. ADPC programs are diverse in application, address all types of hazards, and cover all aspects of the crisis and risk management spectrum from prevention and mitigation, through preparedness and response, to rehabilitation and reconstruction.



## Tourism Disaster Response Network

Travel and Tourism Governors at a meeting of the World Economic Forum in January 2005 considered the impact of disasters following the South Asian tsunami of December 2004. The Governors subsequently established a cross-sectoral task force and commissioned a feasibility study to assist in the development of a tourism disaster response network. The goals of the study are to:

- produce a global risk map, identifying which risks are most likely to occur, and where they are likely to occur;
- identify (map) current operational travel and tourism disaster response networks. This task should identify duplications of effort and capabilities, and identify gaps in priority capabilities;
- provide recommendations and proposals for what should be done to create an effective early warning disaster response network, able to respond in a timely way to the most likely future risks; and
- suggest possible next steps and the resources required for the implementation of the network.

In its survey of existing disaster recovery networks and resources available to assist the tourism industry in anticipating, planning for, reacting to and recovering from a disaster, it was noted that the tourism industry needs to improve its proactive communication strategies with governments and the media as there is currently limited understanding of the critical importance of the tourism sector in supporting community disaster recovery.

## Chapter Summary

This chapter identifies national governments as responsible for the development, coordination and implementation of policies relating to risk and disaster management, for establishing strategic directions for risk and disaster management processes and funding related activities. It identifies the need for national tourism councils to be involved in risk and disaster management and highlights the benefits of an effective partnership between government agencies and the tourism industry. Critical elements of a National Tourism Safety and Security Plan and a National Tourism Incident Response Plan are examined and the need for business continuity plans identified. Arrangements to prepare for and respond to a terrorism event are discussed, and an overview of national disaster management arrangements in Asia and the Pacific provided. The chapter concludes with an overview of the proposed Tourism Disaster Response Network.

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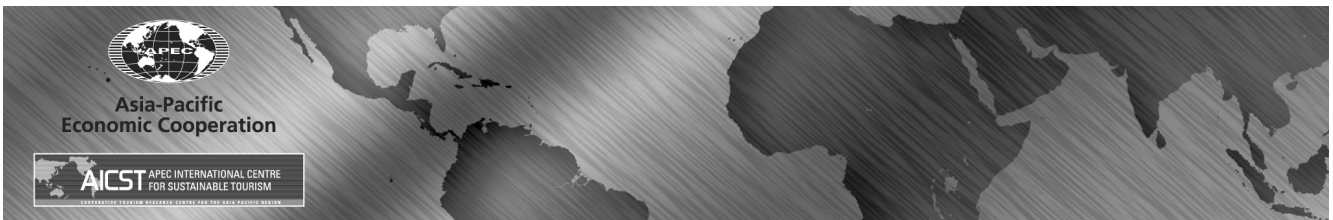
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## CHAPTER 4: CRISIS MANAGEMENT FOR TOURISM OPERATORS AND DESTINATIONS

### Aim of this Chapter

The aim of this chapter is to provide a framework within which tourism destinations and individual businesses/organizations can prepare for, and manage the effects of, crises.

While the main focus of this chapter is on the development and implementation of crisis management strategies for a destination, the same concepts and principles apply to tourism businesses/organizations and can be adapted to their situation.

### Introduction

As noted in the conclusion to Chapter 2 of this guide, regardless of how effective the tourism risk management processes might be, crises will still affect organizations, just as disasters will still impact upon communities and the tourism facilities within them. Residual risk is the term given to the risk remaining after the implementation of risk treatment measures. It's an acknowledgment of the fact that disasters and crises will still occur and that measures must be undertaken to deal with them.

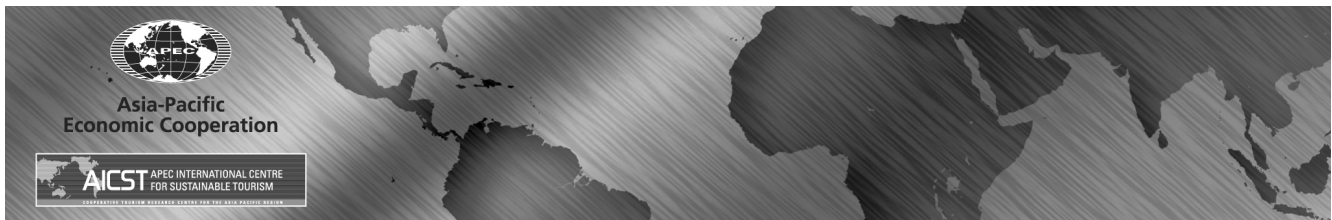
The accepted method of dealing with residual risk is to apply the management strategies of prevention/mitigation, preparedness, response and recovery. It is important to note that these are not phases of a crisis, but strategies for their management.

Despite the inevitability of disasters and crises, destinations, operators and the tourism industry can minimize disruption and facilitate the return to normal operations with the application of efficient and effective management strategies.

Visitors have demonstrated a high, but nevertheless reasonable, level of expectation of the measures that destinations and operators should take to ensure their protection. Poorly managed crises invariably result in loss of public confidence, widespread and very public condemnation, excessive media attention and potentially, expensive and protracted litigation. Destinations and tourism operators will inevitably be held responsible by visitors for their level of preparedness, and for their ability to respond to and recover from a business crisis or the effects of a community disaster.

Business crises are events which may:

- hinder normal business practices and operations, including the provision of services to visitors;
- create a high degree of stress and trauma for visitors, staff, and the community;
- compromise the reputation of the tourism operator or destination;
- produce significant difficulties in the coordination of activities;
- pose major communication and information management problems;
- adversely affect the local or national economy;
- be protracted events; and
- generate intense media and public scrutiny.



## **The Four Crisis Management Strategies**

Originally developed by the United Nations Disaster Relief Organization (UNDRO) more than thirty years ago, the comprehensive crisis management strategies of prevention/mitigation, preparedness, response and recovery (PPRR) have been widely adopted and provide tourism destinations and businesses/organizations with a logical, methodical and interlinked approach to crisis management which has stood the test of time. Although there are variations on the PPRR theme in use (for example, the four Rs – reduction, readiness, response and recovery), prevention/mitigation, preparedness, response and recovery is the terminology used in current risk management processes, and it's the accepted terminology in disaster management. It is appropriate for this guide to use PPRR to be consistent with current practices.

PPRR are crisis management strategies, not stages of crisis management. Importantly, prevention/mitigation and preparedness are continuous processes with no end point. Once a crisis management plan has been developed, for example, staff have to be trained to the plan, the plan has to be tested and then revised in light of lessons learned, and staff trained and tested to the revised plan: planning is an ongoing process.

### **1. Prevention/Mitigation**

Given that these four crisis management strategies are the treatments of residual risk in a risk management process, risk treatment measures designed to prevent or mitigate (reduce the effects of) crises should have already been identified and implemented (see Chapter 2). As part of the process of monitoring and review, however, these should be revisited and new sources of risk to the tourism business/organization or destination identified and the implementation of risk treatment measures assessed.

For both the tourism business/organization and destination, an added tool in strategic business management is the SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis which provides a structure to identify an organization's internal strengths and weaknesses, and external opportunities and threats.

A SWOT analysis used when developing plans and procedures to cope with crises, should focus upon: strengths, including the resources and support available within a tourism business/organization and destination to deal with a crisis; weaknesses, the factors which will affect the ability of each to cope with a crisis and its aftermath; opportunities to enlist government and community involvement and support to tourism; and threats including the sources of risk to a tourism facility and destination. (These will already have been identified as part of the tourism risk management process where the identification of hazards, sources of risk, is a key step in the process. See Chapter 2 for details.)

### ***Occupational Health and Safety***

A significant prevention and mitigation measure for crises is to have in place the systems and procedures necessary to protect the health and safety of visitors and staff. In many countries, legislation establishes the requirements for occupational health and safety measures to be developed and maintained, and destinations should identify health and safety requirements to protect visitors and tourism personnel consistent with national legal requirements, and advise tourism operators on the development of appropriate plans and procedures.

Consultation between the destination and relevant government departments and emergency services will ensure that appropriate measures, which comply with national regulations, can be developed and implemented. Such inter-agency cooperation will also promote an integrated approach to tourism-



related health and safety and reinforce the need for government and community agencies to support tourism operations and initiatives.

Whilst legislation relating to occupational health and safety varies from country to country, common elements generally include:

- liability (being legally responsible for actions and activities) is a two-way street with both the employer and employees being liable for their actions;
- duties of employers and employees and penalties for non-compliance;
- the provision of a work environment that is safe and without risk to health;
- the provision of adequate facilities;
- maintenance of a safe means of access and egress;
- ensuring the absence of risks in connection with handling of plant and substances;
- development of procedures for emergencies within the facility or workplace;
- adequate training of staff and testing of plans and procedures; and
- provision of information in appropriate languages.

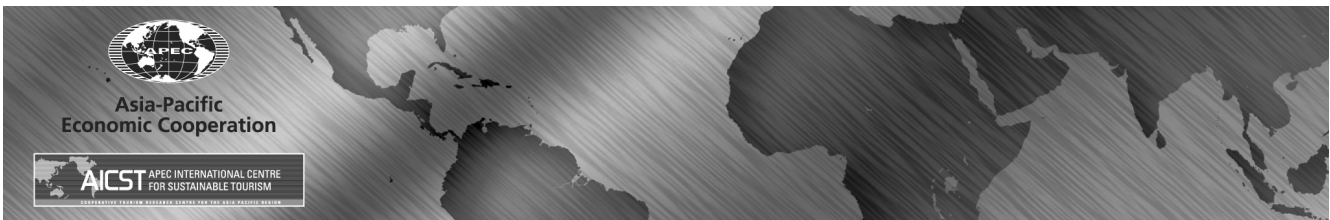
Destinations should advise tourism businesses/organizations to develop, as a minimum, Standard Operating Procedures (SOPs) for their facilities to address:

- evacuation;
- building fire;
- bomb, chemical, biological, radiological threat;
- suspected mail bomb/letter bomb;
- civil disorder/illegal occupancy;
- armed or dangerous intruder;
- hazardous material spill;
- gas leak or other noxious exposure;
- building collapse;
- medical emergency; and
- external emergencies – storm, flood, earthquake, tsunami, landslide, etc.

Again, regional and local emergency services personnel can provide expert advice on the development of these procedures and this provides an important opportunity for an effective partnership between tourism and community agencies.

## 2. Preparedness

This strategy includes the development of plans and programs, systems and procedures, training and testing to ensure that when crises do occur, resources (personnel and equipment) can be mobilized and deployed to best effect to reduce the effects of the crisis and to facilitate the return to normal tourism operations.



A key part of crisis preparedness for destinations is the establishment of networks and liaison with relevant government departments and community agencies. Just as Chapter 2 identifies each tourism operator and destination as part of the disaster management community, so each destination should develop and maintain an effective working relationship with those departments and agencies with which it will cooperate during a crisis, and which may provide advice and assistance during tourism crisis response and recovery.

### ***The Planning Committee***

The first step in preparedness is the establishment of a tourism crisis planning committee. While a tourism operator's committee will ideally involve representatives from every section of the organization, the planning committee for a destination should include representation from all key stakeholder organizations as each will have a different perspective and different knowledge and skills to contribute. The destination should also invite participation from relevant government departments and community agencies to reinforce the need for integrated crisis response and recovery processes for regional tourism. These committees are likely to form the core of subsequent crisis management teams.

The planning process will be based upon the sources of risk to the tourism destination which were identified as part of the risk management process (see Chapter 2). A planning committee should meet regularly (every three months if possible) and will be responsible for the:

- development, production, dissemination and review of tourism crisis management plans and procedures;
- allocation of crisis management roles and responsibilities;
- identification of training needs;
- organization of training programs, including induction programs for new staff;
- development and conduct of exercises (mock crises), annually as a minimum;
- debriefing following exercises and crisis plan activations; and
- monitoring, evaluation and amendment of plans and procedures.

### ***Tourism Crisis Management Planning***

No two crises will ever be the same. Each crisis will have a life of its own and will generate different problems requiring different solutions. What is needed, then, is a generic tourism crisis management plan: one which will contain a single set of crisis management arrangements which will be applied to all crises which may impact upon a tourism destination or business/organization.

However, a best practice crisis plan is only a starting point: the ability of a destination or tourism operator to manage a crisis will always be dependent upon the knowledge and skills of those responsible for the plan's implementation, and their abilities and flexibility to adapt to the changing needs and situations that crises produce.

A tourism crisis management plan should:

- describe activation procedures - the means of alerting personnel and activating the crisis management system;
- allocate crisis management roles and responsibilities;





- identify control and coordination arrangements, including the facilities (operations centre) and structure for managing a crisis;
- include standard procedures for the response to, and recovery from, crises;
- identify operational information management requirements, including the assessment of the effects of the crisis upon facilities, personnel and operations;
- establish communications methods - a fail-safe system of providing warnings and information to visitors and staff, and for communicating with regional tourism organizations and emergency services agencies; and
- describe public relations and media management arrangements (for details see Chapter 5).

Crisis management arrangements should ensure:

- the safety of all persons residing within, working at, or visiting a tourism facility or destination;
- minimal disruption to regional tourism operations, visitors, staff and surrounding communities; and
- compliance with applicable legislation, regulations and guidelines.

The planning committee should take account of the fact that a crisis may be protracted, and that personnel may be required to undertake crisis management roles and responsibilities over many days. Will there be sufficient trained personnel available? If not within a destination or organization, what options are available?

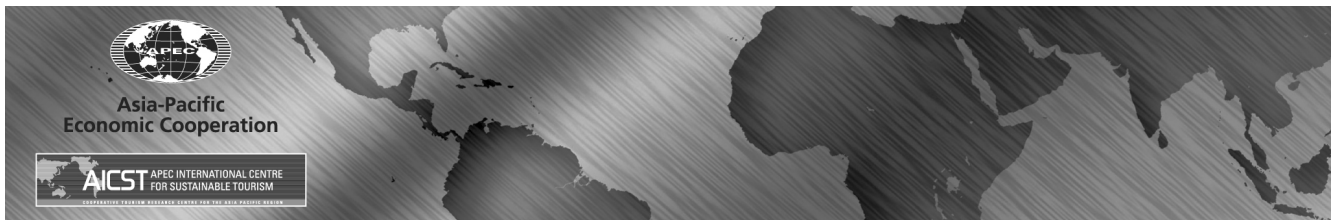
The basis of all crisis management planning is a series of '*what if*' questions for the planning committee to address:

- *What if so-and-so happened?*
- *What does this mean to us as a destination or tourism operator?*
- *What are the implications for our regional operations and for the attitudes and patterns of travellers?*
- *What must we do as a result of this to protect people and our businesses, and to restore and maintain confidence in our operations and facilities?*

### **Criteria for Crisis Control Personnel**

A planning committee may find the following general criteria useful when selecting personnel to undertake critical roles in the crisis management team:

- *Can the person keep calm, think clearly, and make sound decisions when under crisis pressure?*
- *Does the person readily accept responsibility?*
- *Is the person willing to undergo training and participate in regular exercises?*
- *Does the person have an understanding of his or her own limitations?*
- *Is the person able to respond quickly and adapt to the demands of a changing situation?*



## ***Training of Staff***

Crises inevitably require personnel to step outside their normal day-to-day roles and responsibilities and to carry out tasks which are far less familiar. To make it even more difficult, not only are many of the tasks unfamiliar, but they must be carried out in the highly stressful environment which crises produce. For these reasons it is very important that personnel be trained for and regularly tested in their crisis management tasks. Personnel also need the opportunity to practise their tasks as skill levels will deteriorate rapidly, even given the best of training, if regular practice is not undertaken.

A planning committee should identify the specific crisis management training needs of personnel and ensure that appropriate initial and ongoing training is provided. This must also include relevant induction programs for new staff.

## ***Testing Plans and Personnel – Crisis Management Exercises (Mock Crises)***

The fundamental purpose of training and exercising is to improve the capacity to respond efficiently and effectively in times of crisis. Crisis management exercises can:

- reveal planning weaknesses;
- expose resource gaps;
- clarify roles and responsibilities;
- improve individual performances;
- build confidence;
- develop proficiency;
- test plans, systems and procedures; and
- foster cooperation between tourism operators and destinations.

Most importantly, whilst exercises can't exactly duplicate the stressors imposed by crises, they do provide an opportunity to assess the ability of personnel to perform under stressful conditions. An exercise will also identify whether or not plans, systems and procedures can withstand the same crisis pressure.

That's what you need to know. Crisis management is not about being able to function in normal surroundings or circumstances. It's about being able to function effectively under crisis pressure, in abnormal surroundings or circumstances - and not everyone, or every system, can do so.

Exercises provide the opportunity for personnel from the visitor region to work together and to develop an understanding of how others operate, their priorities and systems, and to develop an effective working relationship.

## ***Exercise Options***

The starting point of exercise management is to identify what exactly it is that you want to test and what is the best way to go about it. Destinations may choose to access personnel skilled in exercise development and management in order to maximize the benefits. Types of exercise include:



- **Discussion Exercises**

A discussion exercise produces a situation and crisis management problems for participants to address. It depends upon a highly skilled facilitator and is a very effective and cost efficient method of testing plans, procedures and personnel. Whilst it does not produce all the pressure of crisis conditions, participants are required to think and react under some pressure.

- **Functional exercises**

These are exercises which allow participants to practise information processing, resource management and decision-making skills in a crisis operations centre environment. These test the management of events and expose members of the crisis management team to considerable pressure and they are critical to developing a high level of preparedness to respond to crises.

Importantly, though, exercises need not always be a formal procedure necessitating planning, development and the use of a skilled facilitator. Destinations can use crises experienced by other destinations to consider their own level of preparedness. Such informal exercises are based upon personnel discussing the following simple questions against a given scenario:

- *What would we do if that happened in our region?*
- *What would be the implications of such a crisis for our business operations?*
- *How would it affect visitors and potential travellers?*
- *What would we do about it?*
- *What are the problems which we would have to face?*
- *How would media and public relations issues be managed?*
- *Do we need any additional training, equipment or other resources to manage such a crisis?*
- *How would tourism here be affected if it happened at a nearby destination?*

Training and exercising should be ongoing processes if you are to develop and maintain the high level of preparedness necessary for an efficient and effective response to a crisis. That depends, at least in part, on the development of an appropriate attitude: one which identifies the need for crisis preparedness activities to become a part of normal business routine, not merely isolated or occasional measures adopted to satisfy a formal requirement.

### ***The Tourism Crisis Planning Process***

Crisis planning is a PROCESS. A written plan is just one outcome of the ongoing process, but it's not an end point. A planning committee cannot rest on its laurels once the plan has been produced. Personnel must be trained and tested; plans must be regularly tested, reviewed and updated. Destinations should learn from the crises which other destinations experience and incorporate those lessons into their own preparedness activities.

A crisis management plan will get you started in a crisis. Planning must continue during crisis response and recovery operations, when the crisis management team will have to develop short-term plans for the following few hours of operation (known as tactical plans) and longer-term plans for the following 24 to 48 hours (strategic plans). As the team assesses the situation and decides upon essential tasks and priorities in response and recovery, so plans have to be developed for their implementation. This is not a complicated process, but a normal business approach where a management team determines what needs to be done and how they will go about it.



## Proactive Planning: An Example of Best Practice

Although most of the tourism industry would be familiar with cases of poor or inadequate risk management, it is often considered difficult to find examples of good crisis management planning. In practice, effective crisis management prevents or minimizes a potential crisis with limited adverse public or consumer awareness. This implies appropriate measures of mitigation, preparation and communication. The ideal or “best practice” approach to risk and crisis management is proactive, strategic and holistic and designed to coordinate and manage a diverse range of tourism stakeholders.

The essence to achieving such an approach is premised on knowledge, understanding and familiarity. A valuable and useful strategy for any planning process is to learn from past lessons and experiences, whether local or international. In their article *A case study of best practice—VisitScotland’s prepared response to an influenza pandemic*, Page, Yeoman, Munro, Connell and Walker (2005) demonstrate how VisitScotland, the Scottish National Tourism Organization, used the incidence of foot-and-mouth disease and systematic scenario planning exercises to develop proactive contingency plans and response strategies for the looming issue of flu pandemic.

### **Learning from Foot-and-Mouth**

While commonly described as an agricultural, farming or health crisis, the outbreak of foot-and-mouth disease in the United Kingdom had significant impacts on the tourism industry. Consumer uncertainty and concern led travellers to postpone holidays, cancel trips or choose alternative destinations. Media images of afflicted livestock, local precautions and stringent travel advices essentially resulted in reduced tourist numbers and associated revenues. The effect of foot-and-mouth disease on Scotland’s tourism economy was profound, and according to this paper “ensured that VisitScotland would learn from those experiences for future crises” (p374).

### **A Potential Flu Pandemic**

With growing media attention and awareness dedicated to the spread of Avian Influenza (Bird Flu) during late 2005, this report outlines how the potential mutation to a global flu pandemic was identified as a significant issue or external environmental risk likely to impact on the Scottish tourism industry. Consistent with a systematic risk management process the potential nature, scope and extent of the issue was researched (in tandem with the Scottish Executive’s Department of Health) to evaluate the priority of the risk. Determined a high priority issue, scenario planning exercises were subsequently adapted and developed “to understand the challenges to plan for the type of actions to prepare for a crisis” (p362).

### **The Scenario Planning**

Based on a variety of realistic scenarios relating to severity and duration, this planning employed a triangulation of methods to model the diverse implications of an influenza pandemic, including a quantification of expected disruptions and changes to consumer behaviour. Using established methodologies, scenarios were developed over a successive period of stakeholder consultation and iteration. Industry based workshops were then used to further map collective themes and issues to identify potential outcomes of these scenarios.

The principal outcomes outlined the implications for Scottish tourism relating to issues including; market reactions and changes, transportation, travel displacement, resources, employment and staffing, service disruption and civil unrest. From these issues, a number of key or critical issues were identified to help model anticipated information flow, responsibilities and relevant stakeholders. Developed as a guide of “principal actions and approach” to the outbreak of a global pandemic, this exercise has since assisted with tangible contingency planning, business continuity planning, and the consideration of appropriate response strategies for the Scottish tourism sector.



### **Best Practice**

Although such a global flu pandemic has not yet eventuated, this example of proactive crisis management is consistent with best practice measures. Utilizing experience, corporate knowledge and a collaborative approach, this adaptation of scenario planning has assisted the Scottish tourism sector and businesses to become more aware, prepared, and confident in the advent of such a potential crisis. This case study highlights the potential for application in the operation and management of any tourism destination.

*(Source: Page, et al, 2006)*

## **3. Response**

The crisis response strategy includes actions taken leading up to and immediately after the impact of a crisis, to minimize its effects and to manage the consequences. The tasks involved will depend upon the nature and the extent of the crisis, but if a destination is experiencing a crisis imposed by a disaster impacting upon the community, the responsibility for management tasks related to the protection of lives and property will rest with the disaster management agencies. The destination will liaise with those agencies and be part of a coordinated, integrated response to the disaster. It is important that the destination and tourism operators don't undertake tasks which are the responsibility of emergency services or disaster management agencies.

Where the destination is dealing with a business or organizational crisis, it will be necessary to identify business continuity objectives and strategies and to manage the implementation of the crisis management plan. In order for visitors to maintain confidence in the destination, it is important that normal business operations and services are not neglected, but are continued with the least disruption possible. Effective crisis response management depends upon trained and experienced personnel with the capacity and flexibility to react to whatever situation the crisis presents.

Importantly, the destination's crisis management team will need an accurate picture of how the crisis has affected people, facilities, infrastructure and operations in order to make decisions and decide upon priorities. It may be necessary to task personnel to carry out a survey and assessment to obtain the specific information required for decision-making purposes, including:

- effects of the crisis upon visitors;
- damage to property and infrastructure;
- disruption to services;
- consequences of the crisis for regional tourism and the surrounding community; and
- the personnel, equipment and measures needed to deal with the crisis.

Depending upon the nature of the crisis, the destination may need to establish and maintain communication with key government and community leaders. Where possible these people should be included in crisis management exercises to allow liaison and communication links with them to be practised.



## **Crisis Management in Tourism in Tropical North Queensland in 2000**

### **Explanation of a cyclone**

Tropical cyclones (known as hurricanes in the northern hemisphere) are intense atmospheric depressions in which the winds whirl in a clockwise direction around a small, calm 'eye'. There are five categories of cyclones, with wind speeds ranging from 63km/h to in excess of 280km/h.

Tropical North Queensland (TNQ) is the main tropical region of Australia and encompasses the north-eastern corner of Australia, including vast inland areas and Cape York. TNQ is within the cyclone belt of the southern hemisphere and during the cyclone season, between November and May, cyclonic winds can destroy vegetation and property while storm surges can inundate low-lying areas causing erosion and flooding.

### **Background**

When a tropical cyclone forms off the coast of TNQ it is tracked by government meteorological agencies and the media. Television stations in southern Australia, the main markets for TNQ tourism, usually use file footage of previous, destructive cyclones as background to a story of a new cyclone forming; even when the new cyclone is hundreds of kilometres out to sea and having no effects. This can cause concern to potential visitors and reduce domestic tourism numbers to TNQ. Many of the cyclones which form in the Pacific Ocean each year don't even reach the Queensland coast.

Tourism Tropical North Queensland (TTNQ) is the Regional Tourism Organization for TNQ and is responsible for destination marketing and management of tourism for the region. In 1999 TTNQ developed a crisis management plan, primarily for cyclones. Extensive consultation took place with the government agencies responsible for disaster preparedness and disaster management including the State Emergency Services Department, Police, Queensland Weather Bureau, Cairns City Council plus business groups such as the Chamber of Commerce and the Cairns and Region Economic Development Council. The purpose of the plan was not to duplicate or impinge on the official agencies' roles and responsibilities, but to address additional elements, particularly communication to tourism markets in Australia and overseas on the situation in relation to cyclones. Another objective was to facilitate consistent and accurate reporting of the impact on tourism of any disaster in the region by the agencies and organizations dealing with the media.

The plan, which was agreed to by all relevant parties, contains business and private contacts for key representatives of all agencies and organizations so that immediate communication can be initiated and actions agreed to when an event occurs.

It was also agreed that in an event which had the potential to damage normal communication channels, a tourism representative would join the government agencies in their operations centre (established when a situation requires the State's emergency services to take control from a central point, it has alternative power and communications). Thus contact could be maintained with the media and the travel industry in Australia and overseas, and accurate reports provided.

### **Cyclone Steve**

On the 26 February 2000, Tropical Cyclone Steve was identified off the coast of Cairns. It quickly moved toward the North Queensland coast with increasing wind strength. By 1pm the following day it was classified as a Category 2 cyclone with winds of up to 170 km/h. Cyclone warnings were issued every hour via local media, and tourism and accommodation operators immediately implemented emergency procedures for the safety of visitors and staff. The general community was also advised to take actions to secure properties and buildings and to take precautions for personal safety.



### **Implementation of the Tourism Crisis Strategy**

The tourism crisis management plan was implemented, and in the late afternoon of 27 February a TTNQ senior manager joined emergency management personnel in the operations centre set up in the Cairns City Council Offices and was given access to facsimile and email connections.

Cyclone Steve passed over the coastline just north of Cairns at 7pm on 27 February causing some damage to vegetation, but little damage to buildings. In the immediate aftermath, it was possible to coordinate communications from the operations centre to tourism operators in the region to monitor the situation and its effects on local operations. Media releases were sent to Australian and international sources at 10pm that evening advising that tourism was unaffected and that it would be 'business as usual' in the main coastal areas of the region in the morning.

The following day, staff from the State Tourism Organization, Tourism Queensland, coordinated a series of radio news interviews with TTNQ to reach the main markets in Australia reassuring potential visitors of the lack of damage and normal tourism operations. These interviews were conducted from the TTNQ office as normal communications were not affected. However, if communications had been damaged, the interviews could have been conducted from the operations centre.

### **Summary**

The TTNQ Tourism Crisis Management Plan had been developed and agreed to, and when it was implemented for an emergency, it worked. The tourism representative having access to the emergency operations centre, which was a key part of the plan, was possible because of the relationships that had been developed with the various government agencies and business organizations during the planning process.

Pivotal to this was the understanding by the agencies and organizations of the importance of tourism to the local economy. In addition to the plan, there was a public relations campaign by TTNQ to educate local residents and the business community about tourism's contribution to the economy and the direct and indirect employment opportunities it created for local residents.

Through proactive communication with major markets, it was possible to broadcast their own accurate and immediate messages on the condition of tourism in TNQ and its facilities and services, rather than rely upon the emotive reporting and file footage used by the television stations.

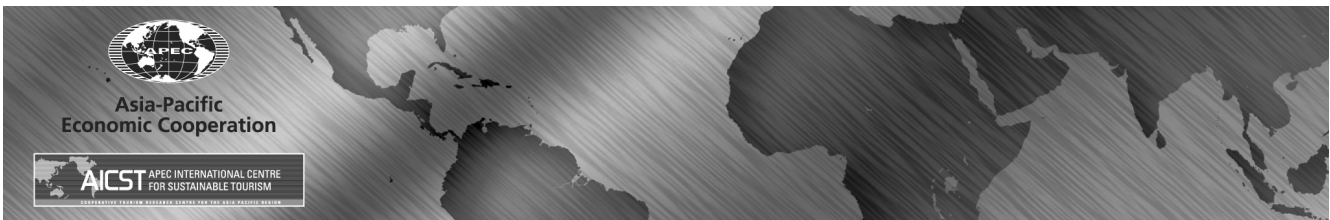
This event highlighted the importance of a major tourism destination developing collaborative relationships and plans, and taking responsibility for tourism-related communications in a crisis.

*(Source: Kean, I: APEC International Centre for Sustainable Tourism, 2006)*

### **The Tourism Crisis Management Centre**

The crisis management team will be responsible for the regular briefing and management of personnel undertaking crisis management tasks, the processing of information relevant to its purpose (collecting, collating and evaluating), decision-making, and strategic and tactical planning. (Strategic plans address the broader, longer-range issues of crisis management; tactical plans focus upon the short-term operational activities for the following two to four hours). A crisis management team must also keep records of all significant information, actions and decisions. This is necessary so that decisions and actions taken during the crisis can be justified when required.

A tourism crisis management centre provides the means by which the essential response management functions are achieved and enhanced. Where possible, the destination should identify a



room or area to be established as the crisis control centre and provide the following minimum facilities and equipment:

- a main work area with adequate space, lighting and low sound level;
- area for meetings and briefing staff;
- access control point;
- separate media briefing room;
- rest and recreation area;
- tea and coffee making facilities;
- display boards to present, in summary form, information on the crisis and response activities being carried out;
- telephones;
- facsimile machine;
- computers;
- television and radio (to monitor media reports);
- photocopier;
- chairs and tables;
- stationery supplies;
- auxiliary power; and
- first aid equipment.

### ***Crisis Information Management***

One aspect of crises which is difficult for people to appreciate is the sheer volume of decision-making required during crisis response operations. One of the reasons why a destination needs a crisis management team is because it's unrealistic to expect any one person to cope with the demands imposed by a crisis event, or for one person to have the specialized knowledge required to make all the decisions required.

In order for the crisis management team to make good decisions, operational information must be processed – collected, collated and evaluated - to convert the raw data into a practical decision-making tool. It's a matter of sifting and sorting to separate the relevant from the irrelevant and fact from fiction. The core questions to be applied are always, *'what does this mean to us?'* and *'what must we do as a result of this?'*

There will be many sources from which information will come including regional tourism operators, organizations, agencies and the general public. But the team mustn't automatically rely upon the information it needs being provided; they must identify their information requirements and sources - and these will change as the crisis response operation develops. The starting point for collecting information is the question, *'what do we need to know?'* followed later by *'what do we need to know now?'* It is easier to identify your information needs as more information on the crisis is assembled and problems become clearer.

Information then has to be put together, checked, and assessed by the destination to establish its relevance and reliability; to identify gaps in the information and additional information needs. This is





the form of information that is required for decision-making purposes: *this is what we know, now what do we have to do about it?*

Once made, decisions must be distributed to all those who have a need to know which may include visitors, government and community agencies, and the general public via the media.

### ***Tourism Business Continuity***

Business continuity is a key issue of crisis response management and a destination should aim, as far as practicable, to maintain normal services to visitors and operators wherever possible. Business continuity issues to be considered by the crisis management team include:

- identification of visitors' needs and the provision of essential support services;
- priorities for restoration of facilities, services and infrastructure;
- resources and budget requirements;
- tactical (short-term) and strategic (longer-term) business issues;
- media management;
- public relations issues and arrangements;
- consultation with government/politicians/community leaders;
- environmental management issues; and
- alternative means and sites of operation.

## **4. Recovery**

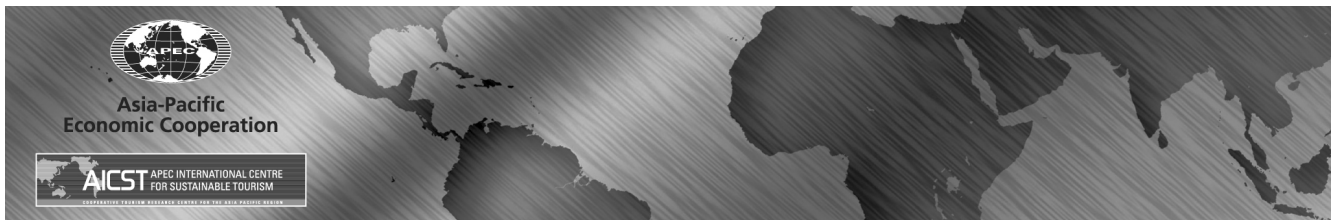
The crisis management strategy of recovery is concerned with the restoration and rehabilitation of regional tourism and its return to full functioning. Business continuity starts with the response to a crisis: taking the earliest opportunity to identify and resolve problems which will disrupt regional tourism operations; to identify strategies and the resources required to restore normal functioning; and to secure the cooperation and assistance of government and community leaders for the crisis response and recovery processes.

It is certainly in the community's economic best interests for tourism operators and destinations to be assisted in restoring business activities to pre-crisis levels.

Examples of this following the events of September 11 are included in the Appendices. Many Asia-Pacific nations also provided business incentives to protect their tourism interests following the SARS outbreak. For example, the Thai Government arranged:

- special low interest loans with flexible conditions for travel agents, hotels and other tourism industry operators through the newly established Small and Medium Size Enterprises Development Bank of Thailand, and the Industrial Finance Corporation of Thailand (IFCT); and
- intensive training programs for tourism industry personnel, jointly organized by the Ministry of Tourism and Sports, the Ministry of Labour and Social Welfare, and with the cooperation of the Tourism Council of Thailand.

*(Source: Thai Vice Minister of Tourism and Sports, Mr Krirk-Krai Jirapaet, in a speech delivered to the Asia-Pacific Ministerial Summit on Crisis Management, Manila, 18 June 2003.)*



## **Recovery Processes**

Just as no two crises will ever be the same, so each crisis recovery process will have a life of its own and will generate different problems requiring a range of knowledge and skills and, above all, the willingness and ability to adapt to changing circumstances. Once the immediate crisis is over, it's necessary to establish what you're left with: *how has it affected regional tourism business, and what still has to be done to return operations to normal?* The crisis management team should provide the core members of the recovery management team, but it may also need to include representatives of relevant government departments and agencies, and community leaders.

Recovery decision-making processes will be dependent upon information and an accurate assessment of the:

- residual effects upon regional tourism operations;
- existing damage to property and infrastructure;
- causes of ongoing disruption to services;
- consequences of the crisis for tourism destinations and surrounding communities; and
- personnel, equipment and measures needed to deal with the recovery operation.

Crisis recovery management tasks include:

- establishing recovery objectives;
- identifying priorities of action;
- identifying current and future needs and identifying sources of assistance;
- communicating with regional tourism operators;
- liaising with relevant government and non-government agencies and community leaders;
- briefing media, government and other agencies on crisis recovery activities;
- monitoring the restoration of business operations;
- tactical and strategic business continuity planning; and
- decision-making.

The destination's crisis management team should monitor and evaluate community perceptions and reactions to the crisis to identify and address any community concerns. The public may have misinterpreted actions taken, or may be angry about perceived inaction by destinations or tourism operators during the crisis, and any misconceptions need to be addressed as they may have negative effects upon community support and the return to normal operations.

## **Debriefing Processes**

Debriefings must be conducted following any crisis response or exercise to analyse the management and outcomes of the crisis and to gain the information necessary to improve plans, procedures and the training of personnel. Lessons from debriefing processes must be identified and acted upon to ensure the continual improvement of crisis management capabilities, and these lessons should be shared with other regional tourism organizations and the industry's international associations so that the wider visitor industry can benefit.



A further important purpose of debriefing, too, is to formally acknowledge the efforts of personnel during the crisis.

Debriefings should follow a standard format to ensure that every aspect is adequately addressed. The following aide-memoir provides a useful tool for tourism crisis managers:

### ***Aide-Memoir for Crisis Debriefing***

- **What happened?**
  - *Known event or sequence of events which caused the crisis.*
- **What did we do?**
  - *Sequence of actions taken by the crisis management team in response to the crisis.*
- **How well did it work?**
  - *What worked and what didn't and why was this the case?*
- **Knowing what we now know, can we do better?**
  - *Can our plans be improved?*
  - *Do we need more or different training and exercises?*
  - *Do we need better liaison with government departments and community agencies?*
  - *Was our media management effective?*
  - *Did we identify and meet visitors' needs to their satisfaction?*
  - *Do we need better or different communications?*
  - *Do we need a different or amended crisis management system?*
  - *Was our tourism risk management process effective?*

Following debriefing, the planning committee should:

- analyse debriefing discussions and outcomes;
- identify planning, training and operational needs;
- identify timelines and allocate responsibilities;
- revise and update the crisis management plan, as required;
- organize additional training for personnel as necessary; and
- test and evaluate revised plans and procedures and personnel.

Debriefing should take place within a few weeks of the crisis itself while events are still clear in people's minds.



### **Phuket Tourism Risk Management Strategy**

The 2004 Indian Ocean tsunami devastated many of the coastal areas of Phuket Province in Thailand. All businesses were affected to some degree. Tourism is the main economic activity in Phuket and it suffered a severe downturn as pictures and reports of the disaster spread around the world within hours of the tsunami striking the coast.

The Thai Government Ministry of Tourism and Sport, through the Office of Tourism Development,



determined that Phuket and other tourism regions of Thailand should be better equipped to deal with future crises and disasters which may impact on tourism and the Thai economy. With assistance from the APEC International Centre for Sustainable Tourism (AICST) they embarked on a project to develop and implement a tourism risk management strategy for Phuket and for this project to be a model for the development of similar strategies in other tourism destinations in the country.

The intention was to develop the knowledge, skills and experience of a team of local Thai government officials and industry representatives, so that they would be able to replicate the work in other areas. It was designed to be a capacity building project in addition to actually developing a tourism risk management strategy.

The project commenced in March 2006 with the formation of a Thai Operational Team (TOT) who would develop and implement the strategy. The TOT represented all of the government and private sector agencies and organizations related to tourism. This included the Police, Health, Education, Defence, Meteorological Bureau and other national government agencies in addition to the Phuket Governor's office, local government representatives and business and tourism organizations. The project is due for completion in February 2007.

AICST contracted the services of the Asian Disaster Preparedness Centre (ADPC) in Bangkok to assist with the management of the project. The role of AICST and ADPC is to provide information and processes and guide the Office of Tourism Development and the TOT in their work.

Workshops were conducted where the TOT identified potential risks to tourism. These included risks from both man-made and natural hazards. The risks were analysed and prioritized in accordance with risk management processes outlined in this guide and actions were identified to treat them.

This Phuket Tourism Risk Management Strategy, when completed, should contain a summary of all potential risks, the relevant government agencies that have responsibilities for dealing with each of them, and additional actions which the tourism industry can take to ensure the safety and security of visitors and tourism business employees. It should provide real linkages between the government agencies' and the tourism industry's actions and strengthen destination Phuket's capabilities in being prepared for, and dealing with, any future crises that impact on tourism.

This is the first case identified anywhere in the region where a destination has taken a classic risk management approach (as outlined in this guide) to develop a risk management strategy using a multi-stakeholder group. It was not without challenges and problems and some valuable lessons have been learnt.

The need to inform and brief all the stakeholder groups comprehensively and individually before the project commenced, was underestimated. It quickly became apparent that agencies and organizations had different understandings and appreciation of what risk management meant and did not fully comprehend what the project was intended to deliver. This was addressed after the first workshop but in future, needs to be undertaken before the work commences. It is important that each stakeholder not only understands the project but is also able to consider the implications, features and benefits of such a strategy to their own agency or organization.

There was insufficient emphasis given initially to gaining the commitment and ownership of the private sector tourism organizations. This has also since been addressed, however progress could have been faster had this been fully covered at the start.

It was not until after the project commenced that it became apparent that a number of the government agencies had developed their own specific disaster management strategies as a result



of the tsunami; for matters such as terrorism, crime, the outbreak of medical pandemics, etc. Each of these strategies had a potential impact on the destination and tourism operators and associated businesses, however the tourism industry was having difficulty in responding to the implications of these various individual strategies. It was necessary to gather information on each of these strategies and it was decided to include tourism's response to these strategies in the new Tourism Risk Management Strategy.

The Phuket Tourism Risk Management Strategy is a brave new initiative by the Phuket tourism industry and the associated government agencies. It has already been demonstrated that much can be achieved by all working together. The tourism industry and its organizations will have one strategy to manage, which will focus on all potential risks. It will provide roles and responsibilities for each tourism organization to undertake. It is expected that it will take a few years for the industry to fully address all of the possible actions that need to be taken. Government support and funding may also be required to assist with implementation of some actions, such as staff training.

This is still a work in progress, but an important start for Phuket and Thai tourism to address critical strategic risk issues facing the industry in the future. By being more knowledgeable and aware; better prepared and more able to manage the impacts of a crisis; the destination will be stronger, safer and more secure for visitors and should be more competitive on the world tourism stage.

(Source: Kean, I: *APEC International Centre for Sustainable Tourism*, 2006)

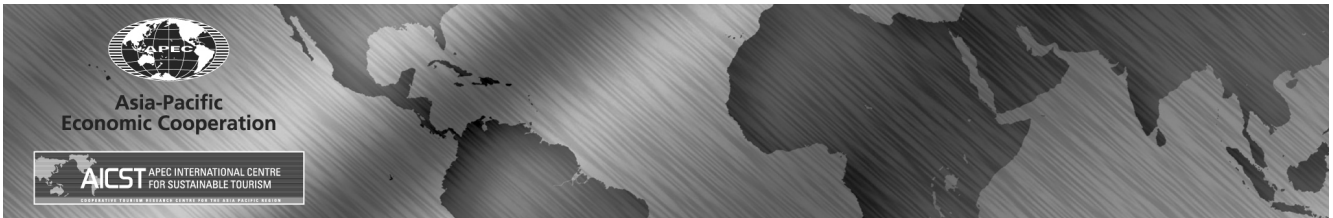
## Chapter Summary

This chapter examines the crisis management strategies of prevention/mitigation, preparedness, response and recovery for a destination. It suggests the composition of, and tasks for, a destination's crisis planning committee; identifies the key elements of a crisis response management plan; examines the training and exercising (testing) needs of an destination's crisis management team; examines business continuity processes; and describes crisis recovery processes including debriefing. The chapter also highlights the need for destinations and operators to work with relevant government agencies and community organizations to develop effective partnerships for crisis management.

Checklists for prevention, preparedness, response and recovery follow on the next pages.

## References

Page, S., Yeoman, I., Munro, C., Connell, J. and Walker, L. (2006), 'A case study of best practice—Visit Scotland's prepared response to an influenza pandemic', *Tourism Management*. Volume 27, pp.361-393



**✍ Checklist for Prevention**

	<b>YES</b>	<b>NO</b>
1. Have you conducted a risk management process which identifies, analyses, evaluates and treats risk to your destination or business?	<input type="checkbox"/>	<input type="checkbox"/>
2. Are you continuing to monitor and evaluate new sources of risk?	<input type="checkbox"/>	<input type="checkbox"/>
3. Do you monitor and evaluate the progress of risk treatment measures?	<input type="checkbox"/>	<input type="checkbox"/>
4. Have you conducted a recent SWOT analysis?	<input type="checkbox"/>	<input type="checkbox"/>
5. Do you attend multi-agency disaster management meetings or maintain information on their current activities?	<input type="checkbox"/>	<input type="checkbox"/>
6. Have you established effective liaison with regional or national disaster management agencies?	<input type="checkbox"/>	<input type="checkbox"/>
7. Have you established liaison with industry organizations, government agencies and community leaders/	<input type="checkbox"/>	<input type="checkbox"/>
8. Have you established an effective working relationship with the media?	<input type="checkbox"/>	<input type="checkbox"/>



**🔗 Checklist for Preparedness**

	<b>YES</b>	<b>NO</b>
1. Have you established a tourism crisis planning committee?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the committee developed a tourism crisis management plan which:		
• describes activation procedures?	<input type="checkbox"/>	<input type="checkbox"/>
• allocates roles and responsibilities?	<input type="checkbox"/>	<input type="checkbox"/>
• identifies control and coordination arrangements?	<input type="checkbox"/>	<input type="checkbox"/>
• includes Standard Operating Procedures?	<input type="checkbox"/>	<input type="checkbox"/>
• identifies information management requirements?	<input type="checkbox"/>	<input type="checkbox"/>
• establishes communications methods?	<input type="checkbox"/>	<input type="checkbox"/>
• describes public relations and media management arrangements?	<input type="checkbox"/>	<input type="checkbox"/>
• includes response, recovery and business continuity?	<input type="checkbox"/>	<input type="checkbox"/>
3. Has the committee identified training needs?	<input type="checkbox"/>	<input type="checkbox"/>
4. Has regular training been developed and organized, including induction training for new staff?	<input type="checkbox"/>	<input type="checkbox"/>
5. Has the committee conducted/scheduled regular mock exercises?	<input type="checkbox"/>	<input type="checkbox"/>
6. Has the committee included informal (discussion) exercises as part of its normal meeting routine?	<input type="checkbox"/>	<input type="checkbox"/>

**✍ Checklist for Response**

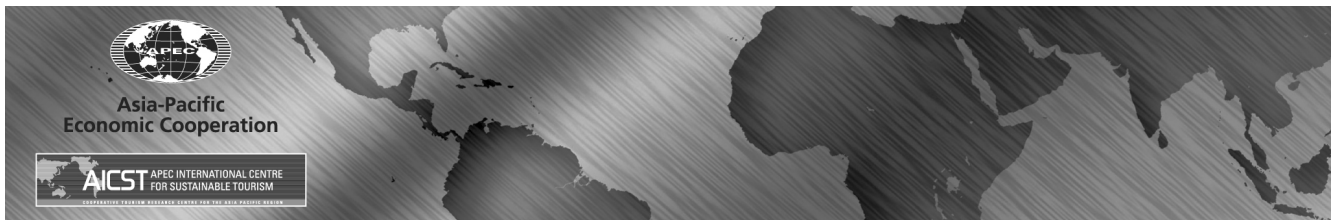
	<b>YES</b>	<b>NO</b>
1. Have you activated your crisis management team and crisis management centre?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the team identified information needs and sources?	<input type="checkbox"/>	<input type="checkbox"/>
3. Have you assessed the:		
• effects of the crisis upon regional tourism?	<input type="checkbox"/>	<input type="checkbox"/>
• damage to property and infrastructure?	<input type="checkbox"/>	<input type="checkbox"/>
• disruption to services?	<input type="checkbox"/>	<input type="checkbox"/>
• consequences of the crisis?	<input type="checkbox"/>	<input type="checkbox"/>
• personnel, equipment and measures needed?	<input type="checkbox"/>	<input type="checkbox"/>
4. Has the team identified business continuity issues and priorities?	<input type="checkbox"/>	<input type="checkbox"/>
5. Are tactical and strategic plans being developed?	<input type="checkbox"/>	<input type="checkbox"/>
6. Have you established a media centre and appointed a media spokesperson?	<input type="checkbox"/>	<input type="checkbox"/>
7. Are visitors' needs being identified and met?	<input type="checkbox"/>	<input type="checkbox"/>
8. Have you established liaison and communications with government officials, community leaders and emergency services?	<input type="checkbox"/>	<input type="checkbox"/>
9. Are media reports being monitored for accuracy?	<input type="checkbox"/>	<input type="checkbox"/>





### **🔗 Checklist for Recovery**

	<b>YES</b>	<b>NO</b>
1. Have you activated your crisis recovery team?	<input type="checkbox"/>	<input type="checkbox"/>
2. Does it include relevant government officials and community leaders?	<input type="checkbox"/>	<input type="checkbox"/>
3. Has the committee established:		
• residual effects upon tourism?	<input type="checkbox"/>	<input type="checkbox"/>
• existing damage?	<input type="checkbox"/>	<input type="checkbox"/>
• causes of ongoing disruption to services?	<input type="checkbox"/>	<input type="checkbox"/>
• consequences of the crisis for the organization and the community?	<input type="checkbox"/>	<input type="checkbox"/>
• personnel, equipment and measures needed?	<input type="checkbox"/>	<input type="checkbox"/>
4. Has the committee identified:		
• recovery objectives?	<input type="checkbox"/>	<input type="checkbox"/>
• priorities of action?	<input type="checkbox"/>	<input type="checkbox"/>
• current and future needs and sources of assistance?	<input type="checkbox"/>	<input type="checkbox"/>
• relevant government and non-government agencies and community leaders?	<input type="checkbox"/>	<input type="checkbox"/>
• tactical and strategic business continuity plans?	<input type="checkbox"/>	<input type="checkbox"/>
5. Is the committee overseeing continuing media management and public relations activities?	<input type="checkbox"/>	<input type="checkbox"/>
6. Have staff and visitors' emotional and physical needs been identified and met?	<input type="checkbox"/>	<input type="checkbox"/>
7. Are community perceptions and media reports being monitored?	<input type="checkbox"/>	<input type="checkbox"/>
8. Have debriefing processes been organized?	<input type="checkbox"/>	<input type="checkbox"/>



## CHAPTER 5: MEDIA AND COMMUNICATION

### Aim of This Chapter

The aim of this chapter is to describe the role of the media and communication (including the role of Government Travel Advisories) in tourism crisis situations. It identifies the importance of the role of the media and as a conduit of information to the community and travellers. The chapter also establishes a systematic method of working with the media for destination managers.

### Introduction

It has been estimated that a remarkable 25% of all news stories involve disasters or crises of some sort. Disasters attract the media in very large numbers, and it's not hard to see why. Disasters are spectacular, action-orientated, dramatic events which routinely feature human suffering and feats of endurance and bravery. From a media perspective they are relatively easy to cover, provide ample opportunity for dramatic photographs, and are guaranteed to attract an audience or sell newspapers. Disaster and crisis events inevitably prove an irresistible combination for the media, and for the general public who will be avid consumers of what the media produces.

News will normally be reported as soon as it becomes available, and this is the case regardless of how inadequate the initial information is, or how uncertain the source. The advances in modern technology mean that news stories and pictures can be transmitted around the world within minutes. Even if the media isn't present in the initial stage of a disaster or crisis, members of the public will be, with mobile telephones and video cameras in hand, and their pictures will be accessed by the media and transmitted. Passengers in the London Underground rail system following the bombings in July 2005, were transmitting pictures to the media from their wrecked carriages and as they evacuated through tunnels to safety.

Media personnel usually have little understanding of the fact that in the confused aftermath of a disaster, information may be difficult or impossible to obtain. This can make them suspect that authorities are hiding information from them when the truth is that it just isn't available.

Journalists are usually generalists, not specialists. This means that they are unlikely to have any depth of understanding of a disaster or crisis event, the cause, effects or the necessary response and recovery processes. They can, therefore, easily misunderstand what they see and hear.

In the case of a tourism crisis, it is essential that local tourism operators only comment to the media on matters which are within the scope of their responsibilities and that they do not comment on operational matters which are the responsibility of emergency services or disaster management agencies.

### Patterns of Media Reporting

There is a clear and predictable pattern of media reporting of disasters, so tourism operators and the industry will be able to predict the media focus and anticipate the information media representatives will be seeking:

- In the initial stages, the media will report the extent and effects, concentrating on the facts of the situation.
- The next focus (maybe one to two days later) is on the human interest side, in particular the heroes of the event and the hardships suffered by victims.



- The third stage is identifying who is to blame: how did it happen, who didn't do what they should have done to stop it or to reduce the effects? Then, how do we stop it happening again?

## Managing the Media

The aim must always be to work with the media, not against them: so the media should be managed appropriately; cooperation is always preferable to confrontation; and, most importantly, it must be remembered that the media is the communication medium from the tourism operator or industry to the wider community and prospective travellers. The media is a key element in any risk management strategy for a tourism destination.

## Guidelines for the Visitor Industry

Risk management strategies are necessary to help retain the confidence of travellers and the travel industry, and to minimize the impact of a crisis on the destination.

No matter what kind of crisis occurs, though, the techniques for dealing with it effectively are similar. Effective communication based on the principles of honesty and transparency is the key to successful crisis management, but other aspects of tourism also need to be involved, especially:

- Promotion;
- Safety and security; and
- Market research.

The following guidelines in this chapter draw heavily upon an excellent report by the United Nations World Tourism Organization (UNWTO) titled, *Crisis Guidelines for the Tourism Industry*, by Deborah Lührman. This work was distributed to delegates at the Asia-Pacific Ministerial Summit on Crisis Management in Manila, 18 June 2003. The guidelines suggest specific actions to take before, during, and after, a crisis.

The goal is to have visitors returning to a destination as quickly as possible. Effective media management techniques can speed up that process.

Normally, a regional or local tourism organization would take the responsibility for the development of a communication strategy for a destination, as they would have the resources and experience for dealing with the media and communicating with key industry partners and potential visitors in all markets.

### ***I. Before a Crisis: Preparing for the Worst***

Never underestimate the potential harm a crisis can do to tourism. The best way to minimize its impact is to be well prepared to respond to, and recover from, its effects.

#### **A) Putting a **communications** strategy in place:**

- **Prepare a communication management plan**

A crisis can take many different forms, so your planning process should be based upon realistic worst-case scenarios. Audit current resources available to deal with a crisis. Designate roles and responsibilities and establish a chain of command for decision-making. Collect and maintain a current list of key contacts. Involve public services and private tourism companies in the planning process - one key to effective communication management is a cooperative working relationship between agencies and organizations. Test your plans, procedures and personnel through exercises held



annually as a minimum, and then review and amend your plans and training programs subsequent to each exercise and after any activation of the plans.

- **Designate spokespersons**

It is essential that information to the media be coordinated and provided by an authoritative source. The designated spokesperson should be a senior, suitably trained, and credible destination representative. Additional trained spokespersons must also be designated as a crisis may extend over many days. Personnel should undergo specific media training including regular practice in mock news conferences and rehearsals.

- **Establish a press and communications unit**

Every tourism destination should have a communications unit. This unit would normally be located within the regional or local tourism organization office and should include staff trained in working with the media, a contact list of local and international media, several telephone lines, fax broadcast machines, a mass email computer program, and background information on the destination - including maps, stock photos, arrivals statistics and fact sheets on previous crises. If possible, this background information should be available in a special media section of the destination's website.

- **Communicate regularly with media**

Relationships can take years to develop, so it is important to communicate regularly with the media, in good times as well as bad. The policy should be one of honesty and transparency. You can establish your credibility and an effective working relationship with the media by supplying them with information about what is new in your destination; by responding promptly to questions they have, and by providing the opportunity for familiarization visits for journalists.

- **Pay attention to local media**

Local newspapers, television and radio are a primary source of information for the international media. In a crisis, local news reports can go global within minutes. So even though your principal target is media in the main generating markets, you cannot afford to ignore local journalists. They will also continue to report the crisis recovery story long after the international media has departed.

- **Train spokespersons in safety and security issues**

Communication on security matters should be in response to a relevant crisis situation, rather than proactive. When a crisis erupts, the spokesperson should be able to communicate in an authoritative manner, but striking a balance between providing sufficient information and providing unnecessary detail and emphasis on security issues. According to one tourism minister experienced in such matters: "You do security, you don't talk about it".

## **B) Promotion planning**

- **Develop a database of partners in the travel trade**

A database should be maintained of all tour operators sending visitors to your destination, major travel agencies and transport companies in your key generating markets, incoming operators and tour organizers, as well as local hotels, transport companies, local promotion boards and tourism associations.

- **Build an email or fax broadcast system**

Communication systems capable of reaching the partners in your database should be in place for use in a crisis. But begin routine communication of news to your partners before a crisis strikes. If you only communicate during times of crisis, the image transmitted will be a negative one.



- **Be honest and ethical in promotion**

Just as in communication, building and maintaining credibility is fundamental in tourism promotion. Avoid overselling or misrepresenting your destination and be ethical in the choice of promotional content, or you could create your own crisis. The Bahamas, for example, was heavily criticized in the international media for using photos in its advertising that were taken in Hawaii, the Seychelles and Florida.

- **Set aside budget reserves for emergencies**

Recuperating from a crisis requires money for additional promotion and communication activities. A prudent destination management organization will set aside an emergency fund for use in a crisis. Establish efficient methods of accessing these funds when required.

- **Stay out of the Travel Advisory War**

Ideally, Government Travel Advisories should be issued in accordance with Article 6 of UNWTO's Global Code of Ethics for Tourism, which states:

*"...governments should issue such information without prejudicing in an unjustified or exaggerated manner the tourism industry of host countries and the interests of their own operators".*

The purpose of travel advisories is to ensure that travellers are well-informed and well-prepared for travel overseas, and to help them avoid dangers and difficulties. They provide up-to-date information about the security environment in a particular country, including possible terrorist threats or problems with law and order. They also provide advice on a range of practical issues such as visa requirements, health and medical issues, cultural or religious differences, etc. Travel advisories should be reviewed and updated as appropriate.

- **Improve communication of security issues with visitors**

Make visitor safety and emergency information available on your destination website. Some of the most useful information to include is: emergency telephone numbers; exchange rates; design of banknotes; common rules of behaviour; places to avoid travelling; safe places to leave luggage; average prices of common purchases; the need to report crimes before a visitor returns home; and the importance of keeping photocopies of travel documents. The Tourism Authority of Thailand (TAT) website, for example, includes information on tough laws aimed at ending child prostitution and urges visitors to report incidents.

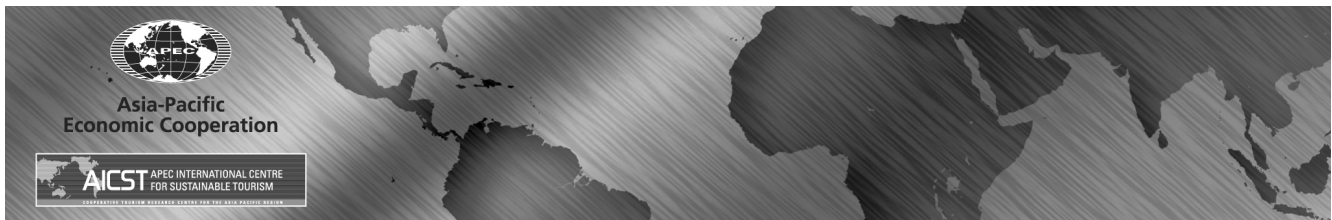
- **Encourage visitors to learn food safety practices**

The World Health Organization has prepared an excellent booklet of advice called "*Safe Food for Travellers*". Adapt this information on how to avoid illness while travelling for use in promotional material, especially on the destination website or provide a link to the booklet on the WHO website: [www.who.int/fsf/Documents/brochure/travellers.PDF](http://www.who.int/fsf/Documents/brochure/travellers.PDF).

### C) Reviewing **security** systems

- **Maintain a working relationship with other government agencies responsible for safety and security**

Decisions made by government agencies such as; police, emergency services, health, consumer affairs, judiciary, foreign affairs, and civil defence have a great influence on how a crisis involving visitors is managed. Start a Safety and Security Working Group to meet regularly to discuss tourism issues. In South Africa, for example, the Tourism Safety Task Group is made up of the Department of Environmental Affairs and Tourism, the national police, the tourism board (SATOUR), the Tourism Business Council, the Department of Foreign Affairs and nine provincial tourism departments (see Case Study in Chapter 3).



- **Get involved in defining security procedures**

Tourism authorities need to be aware of all security measures being taken that affect their industry. Review the entire tourism chain - airport arrivals, ground transport, hotels, restaurants, shopping zones and all tourism sites. Consider the need for enhanced security at all sites, including beaches or entertainment districts. The goal is to provide a safe environment with procedures that are as invisible as possible and do not restrict the arrival of visitors.

- **Maintain information on visitor safety and security**

Tourism industry bodies at the national, state/provincial and local levels should liaise with other government bodies, specialized services and the tourism sector on safety and security issues. They should also keep records on basic facts of tourism security such as rules and regulations, identification of risks, safety statistics and incidents. In addition, information should be shared with counterpart organizations around the world.

- **Train local personnel in security issues**

Government and industry tourism organizations can take an active role in improving safety and security by sponsoring workshops on safety issues for local tourism workers and by encouraging partnerships between public and private security companies in the tourism sector, including local police and hotel security guards. In addition, they should undertake community awareness programs that help local residents recognize the value of tourism to their communities. They can help make it safer for visitors by reporting suspicious activities.

- **Establish tourism police and emergency call centres**

Special tourism police forces, such as ones in Argentina, Australia, the Dominican Republic, Egypt, Greece and Malaysia, are trained to offer assistance in several languages. Mexico's Green Angels patrol the highways with bilingual crews (see Case Study in Chapter 3). Other countries offer call centres with multilingual operators to handle emergencies involving visitors. Information on how to contact these emergency services needs to be communicated clearly to visitors on arrival.

#### **D) Research readiness**

- **Facilitate information exchange systems with key tourism operators**

Set up arrangements with local hotels, airlines and tour operators for the provision of up-to-the-minute data on overnight stays, occupancy rates, pricing, etc. Establish an email or fax system capable of receiving this data from these key partners.

- **Monitor hospital admissions involving visitors**

Information on non-crisis situation hospital admissions of visitors can be used as a point of comparison to put any possible problems in the future in perspective.

- **Monitor crimes against visitors**

Statistics on crimes against visitors can help experts find gaps in security services, improve the quality of the destination and help avoid crisis-scale problems in the future. Crime statistics can also be used as background information, providing a context for crisis communication and a reference point for demonstrating a return to normalcy.

## **II. Minimizing Damage**

The first 24 hours of a crisis are crucial. An ineffective and unprofessional response can exacerbate the situation for the destination, but responsible management of the crisis can enhance relations with the travel trade and facilitate the destination's recovery process.

### **A) Communications from the front line**



- **Be honest and transparent**

To protect your credibility, adopt a policy of full disclosure about what is known and what is not known. Deliver facts in a non-patronizing manner. Don't try to cover up mistakes, mislead or withhold critical information. The media will uncover the facts and then make you look dishonest or inept. Relate to your audience - you are not talking to experts, so communicate your message in terms and language that people can understand.

- **Do not impose a news blackout**

Failure to provide information to the media will not only deprive you of the chance to express your point of view, it will also force the media to seek alternative news sources that may provide inaccurate information which will be detrimental to the destination.

- **Establish a media centre**

The media will seek out an authoritative organization for comments and assistance immediately, so set aside an area they can use that is equipped with desks, phones and data lines. Use it for media briefings. If the crisis occurs in a remote location, set up a second media centre there with a second spokesperson who is in constant communication with the headquarters. Work with security or emergency services to help photographers and camera crews gain photo opportunities.

- **Act fast**

News travels around the world in a matter of seconds. In order to work effectively with the media, you need to respond as quickly as they do. Begin to release information once you are ready to answer the five key questions: who, what, where, when, and why? When accurate, up-to-date information is not available, say so and promise to get back to the journalists as soon as possible. Set up a timetable for regular media briefings. Provide background information on your destination.

- **Remember the victims**

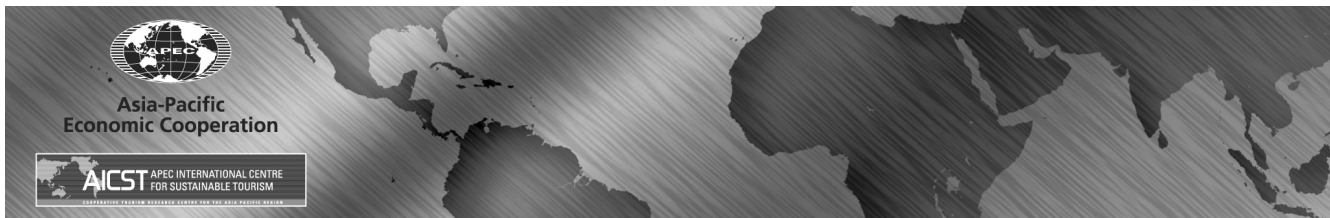
The first communication about the crisis should include information about what is being done to help the victims. News about economic losses to the tourism industry comes across as insensitive where loss of life or injury is concerned. Tourism is a humane industry and needs to show its compassionate face in a crisis. As an example: when two French sunbathers were run over during a police chase recently on Miami Beach, the tourism director immediately arranged to fly in the grieving parents, he met them personally at the airport and spent the evening with the family in hospital. His personal involvement, rather than police negligence, was the focus of the story that ran in the morning newspaper.

- **Avoid speculation and categorical reassurances**

Speculation about what caused a crisis or who is to blame is not the responsibility of the tourism operators or industry. Not only would doing so create problems in your relationship with the disaster management agencies, the media thrives on conflict and will use different messages from different agencies to suggest conflict or a lack of cooperation, thus creating doubt about the efficiency of response and recovery operations. It is vital that you don't release any information or provide comment on any matter concerned with the crisis which is not strictly a tourism responsibility.

- **Put the crisis into context**

Use maps and statistics to demonstrate that the crisis is limited to a specific area or that it has only affected a portion of your country's tourism industry. When highly publicized health problems among British visitors to the Dominican Republic created a crisis in 1997, part of the recovery strategy was to demonstrate through statistics that less than one percent of the two million British visitors in the previous year had fallen ill. This fact emphasized that hundreds of thousands of people had travelled safely to the Dominican Republic.



- **Challenge untrue statements**

Monitor media reports and contact media outlets making mistakes in reporting immediately - before the inaccuracies can be repeated by other journalists. Be prepared with facts and offer interviews or other assistance.

- **Use the media spotlight to highlight positive aspects**

During the crisis period, you have an invaluable opportunity to brief reporters in depth on your destination. Work positive details into news releases, for example, new tourism developments, growth statistics or how important tourism is to the community. Identify human-interest stories, such as local residents helping victims.

- **Place information about the crisis on website**

The internet allows each tourism destination to become its own news channel. Communicate directly to potential visitors over your destination website, emphasizing which areas are affected by the crisis and which are unaffected, as well as describing what is being done to restore normal services and business. Be honest and factual. Update the information on a daily basis.

- **Network with other news sources**

Other organizations providing information on the crisis to the media, such as police, disaster relief, airlines, hotel associations, tour operator groups and international organizations such as the UNWTO and the Pacific Asia Travel Association (PATA) should be kept informed about your response so that they can refer to it in their communications. Let these partners know how to reach your spokesperson in order to correct any possible errors or request more information. Your media officer should liaise regularly with the media liaison officers appointed by other responding organizations.

## **B) Hard decisions about promotion**

- **Communicate directly with travel trade**

Don't make your key partners rely on the media for information about the crisis. Provide details about the extent of damage and disruption to services, what is being done to assist victims, how disaster management or security services are working to end the crisis and what is being done to make sure it doesn't happen again. UK tour operators have successfully used conference calls in crisis situations to link up the various people responsible for safety, promotion and tourism policy so that everyone is getting the same information at the same time. Familiarization trips organized for tour operators during or immediately following the crisis are the best way to allow them to assess the situation for themselves.

- **Change promotional message to address safety concerns**

Rather than suspending promotion, immediately change the message to reflect the current situation and address safety concerns about the destination. Advertising should express sympathy for victims and provide information about what is being done to restore normal services and business. Use ads to direct potential visitors to a hotline or website for more detailed information. After the oil tanker Prestige sank off the Spanish coast, for example, huge billboards sponsored by the regional tourism board were erected, thanking Madrid residents for their concern over the crisis.

- **Press ahead with promotional events and travel shows**

The travel trade needs to understand that your destination is stable and not going to disappear because of the crisis. The best way to demonstrate that is to press ahead with scheduled promotional events, where possible and appropriate. A crisis will undoubtedly create more attention for a destination at a trade show and allow more opportunities to communicate positive developments, and provide up-to-date information.





- **Seek increases in promotional budgets**

A crisis usually results in more government attention for the tourism industry than it would receive under normal circumstances. Use the opportunity to seek increases in promotional budgets which will be needed to help the industry recover and stimulate visitors to return.

- **Initiate financial assistance and/or fiscal measures to support tourism companies**

Governments need to work closely with the industry in difficult times to ensure that there is not a damaging loss of product that could limit recovery. Temporary tax incentives, subsidies, reduced airport charges and free visas are some of the measures taken to encourage tour operators, airlines, and cruise companies to continue operating immediately following a crisis.

- **Set up a hotline**

If there is an emergency call centre in operation, it can become the hotline for inquiries from visitors and their families. If there is no call centre, one needs to be set up immediately with multilingual operators who have a good understanding of security issues. A sample hotline questionnaire is included in UNWTO's Handbook on Natural Disaster Reduction in Tourism Areas. Promote the existence of the hotline in news briefings and on the destination website.

- **Monitor what is being done to improve safety and security**

Participate in inter-agency meetings to brief them on your tasks and situation and to identify the progress of response and recovery activities; keep your organization and industry informed about what disaster management or security services are doing to address issues and improve safety.

- **Coordinate with disaster management agencies to arrange media access**

Where possible, try to help organize reasonable media access to the stricken area through the disaster management agencies. Some years ago, a Caribbean country tried to restrict access to an area hit by a hurricane. CNN simply hired a helicopter to fly over and take 'exclusive' pictures of the devastation. The images were all the more powerful because they were 'banned' by authorities.

- **Communicate internally**

In the heat of a crisis, internal communication often gets overlooked. But it is important to keep all tourism staff up to date with what is being done to end it. Not only does it strengthen the tourism team, it can also prevent incorrect information being spread.

### C) Quick **research** tactics

- **Get to know your visitors**

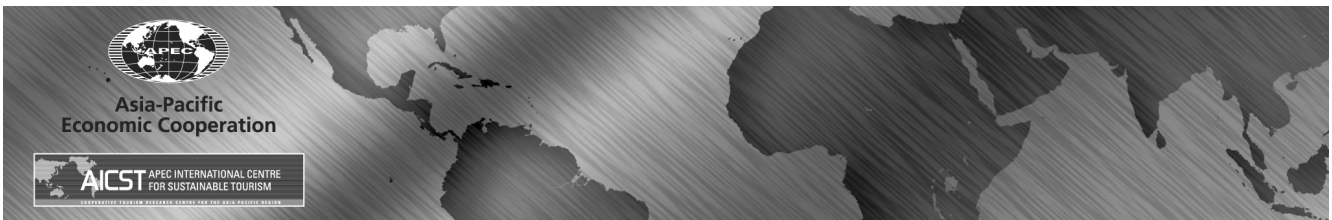
Send out survey teams to find out who is travelling during the crisis, where they come from and why, then feed information back immediately to the promotion department.

- **Monitor media reports**

Keep track of what is being published and broadcast about your destination and feed that information back to the communications and promotion departments. Even if media monitoring is normally the responsibility of the communications department, they will be stretched too thin during a crisis and will appreciate the assistance.

### **III. Recovering Visitor Confidence**

While media attention moves quickly to fresh stories, the damage wrought by a crisis can stay in the minds of potential visitors for a long time. Recovery demands a redoubling of efforts, especially in the areas of communications and promotion.



## A) Image building communications

- **Be proactive in communications**

Promote what you are doing to restore tourism to normalcy. Brief journalists on your recovery plans and how long it will take for them to have effect. Provide plentiful information, including copies of speeches, editorial pieces, maps and photos. Recovery from a crisis requires extra budgetary and human resources allocated to communication.

- **Look for positive news**

Gear news items to reflect the normalcy of tourism activity, for example, the arrival of specialized tour groups or the opening of new attractions. The goal is to demonstrate 'business as usual' in your destination. Egypt has effectively promoted the discovery or reopening of archaeological sites as part of its recovery strategy. Promote news not directly related to tourism, such as cultural events, scientific discoveries, sporting triumphs, film shoots and shopping trends.

- **Increase familiarization trips for journalists**

Invite the press back to show them what has been achieved. Target the theme of the familiarization trip to address your particular image problem and make sure it includes plenty of contact between journalists and local residents. Concentrate on positive television coverage to counteract the harmful effect of TV images of the crisis in the minds of potential visitors. The great thing about familiarization trips is that they allow plenty of time to establish relationships with individual journalists who may then be motivated to take a special interest in your country for years to come.

- **Remember anniversaries**

An area which has suffered a major crisis will be revisited by the media on key anniversaries - 100 days, six months, one year, two years, and ten years. These dates offer a good opportunity to communicate, so be prepared with materials and stories that reflect the recovery of the destination.

- **Anticipate legal actions**

People affected by international incidents will lobby for investigations, make complaints and pursue lawsuits. If the media reports something inaccurate about you, write a letter to the editor to correct the matter. If someone takes you to court, the inaccurate media report could be produced as evidence and it does no good to claim it was not true. You will need evidence that you corrected the report at the time.

- **Create your own news outlet on the destination website**

Provide an alternative to mass media news sources on your own website. Make the website as newsy as possible, taking advantage of its unlimited space to provide in-depth information. To demonstrate that your website is providing up-to-date information it needs to include the day's date in a prominent place. It should also be updated daily with positive stories that demonstrate a return to normalcy.



## B) Flexibility in promotion

- **Create new niche market products**

Packages should be targeted at the most resistant market segments such as golf, skiing, sporting events, culture, honeymoons.

- **Target experienced and special interest travellers**

Experienced travellers and repeat visitors are less likely to be deterred by a crisis. Individual travellers with a particular passion, be it scuba diving, mountain climbing, or archaeology, will go where they need to go to enjoy their hobby.

- **Create special price offers**

Rather than engaging in price wars in a crisis-stricken region, or slashing prices across the board, create special offers. Malaysia and Sri Lanka build their special offers around holiday weekends and festivals. The key is not necessarily to offer the cheapest prices, but rather to offer value-for-money.

- **Quickly shift promotion to most promising markets**

Be prepared to shift promotional campaigns to markets that promise the most resilience. Usually these are the source markets closest to home because travellers there are more familiar with your destination. But pay attention to research and beware of wasting money on markets that are not yet ready to travel. A joint Caribbean ad campaign recently launched to win back US visitors had little effect because Americans were still wary of going abroad.

- **Step up promotion to domestic market**

In larger countries, domestic tourism can make up for lack of foreign demand during the recovery period. The Bali Tourism Board began promoting to the domestic market following the terrorist bombing in order to keep hotels functioning. Persian Gulf visitors vacationed closer to home and kept hotels in Dubai, Bahrain and other Arab countries operating following the September 11 attacks. Tourism officials were surprised to discover they spent more than long-haul visitors.

- **Increase familiarization trips for tour operators and special events**

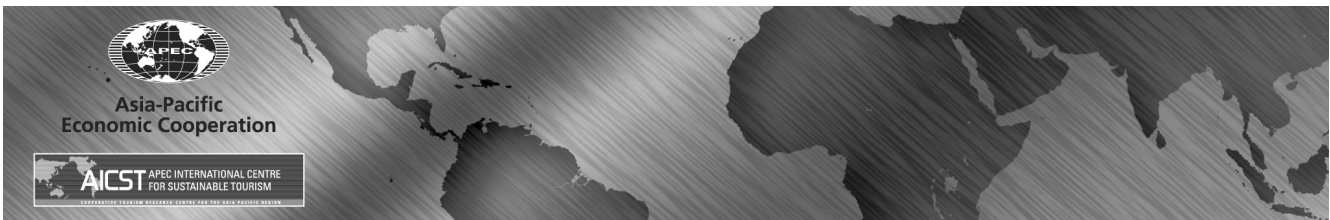
As soon as the situation permits, bring in tour operators and travel agents to see what has been done to restore the destination. Organize special events and meetings to create an opportunity to communicate with your partners in the travel trade and with the international community.

- **Take travel advisories seriously**

Establish contact with governments that have issued travel advisories against the destination. Provide a regular flow of information on the crisis, including details of the exact location of the incident, what is being done to make the area more secure and where and when it is safe for visitors to travel. Begin lobbying relevant governments and invite representatives to see the situation themselves.

- **Intensify cooperation**

A crisis brings people together in a spirit of solidarity and cooperation that is essential to a quick recovery. Improve coordination among tourism promotion boards throughout the country and redouble collaboration between public and private sectors in marketing campaigns. Also explore the possibility of multi-country regional promotions and products.



### C) Security for the future

- **Evaluate security procedures**

Following a crisis, it is necessary to re-assess security systems to ensure they are adequate. Security should be as unobtrusive as possible and not deter tourism from resuming. Use new security measures to reassure visitors of the importance you place on their safety and security.

- **Push to improve quality of services and facilities**

Encourage quality through feedback of survey results on visitor perceptions, by rewarding excellence and by setting up tourism complaint services. Visitors should have somewhere to complain if services do not meet expectations. Peru's Visitor Protection Service (SPT), which operates under the auspices of the country's consumer protection commission, provides this service by mediating complaints, providing general visitor information, and analysing data on the nature of complaints to help identify where improvement is needed.

### D) Using research effectively

- **Survey generating markets on perceptions of your destination**

Research potential visitors and survey your travel partners in primary source markets for readiness to travel and for information about their perceptions or apprehensions about your destination. Providing this information to promotion officials will allow them to tailor campaigns to correct damaging impressions. In order to begin changing perceptions, it is essential to know where you stand.



#### **UNWTO Crisis Action Team**

Responding quickly to a tourism crisis demands solidarity, flexibility and expertise. The UNWTO has put together a Crisis Action Team made up of 11 of the world's top experts in the area of communication, marketing and promotion, and safety and security, all of them with solid experience collaborating with UNWTO. These professionals have agreed to make themselves available to help member countries hit by a crisis and to respond to requests for urgent assistance from the Secretary-General. The kind of assistance would be at the discretion of the Secretary-General and depend on the nature of the crisis, but could include such services as: audits of crisis preparedness, developing risk management plans, communication training seminars, providing advice by phone or email, or giving emergency on-site assistance during a crisis.

*(Source: Kean, I: APEC International Centre for Sustainable Tourism, 2006)*

- **Government Travel Advisories**

Among the leading sources of information on identifying risk for the travelling public are Travel Advisories issued by various governments around the world. For example, Australia's Department of Foreign Affairs and Trade (DFAT) monitors current activities in more than 140 overseas destinations and provides advice to travellers through its travel information website: <http://www.dfat.gov.au/travel/index.html>. The advice covers a range of health and safety issues, including crime, infectious diseases, seismic activity and weather patterns. A similar service is offered to travellers by the British Foreign and Commonwealth Office (<http://193.114.50.10/travel/>); the US State Department ([http://travel.state.gov/travel\\_warnings.html](http://travel.state.gov/travel_warnings.html)) and the Canadian Department of Foreign Affairs and International Trade ([http://voyage.dfait-maeci.gc.ca/destinations/menu\\_e.htm](http://voyage.dfait-maeci.gc.ca/destinations/menu_e.htm)).

Foreign government monitoring is probably the best overall barometer of actual and perceived risk available to a travel destination. On 29 June 2006, for example, there were Travel Warnings issued by the US State Department for 29 countries. A Travel Warning is issued when they decide, based



on all relevant information, to recommend that Americans avoid travel to a certain country. The Australian Government's Department of Foreign Affairs and Trade listed warnings against travel to six countries on the same date, and also recommended that travellers reconsider their need to travel to a further 14 countries.

The US State Department also lists Public Announcements which are a means to disseminate information about terrorist threats and other relatively short-term and/or trans-national conditions posing significant risks to the security of American travellers. These are made any time there is a perceived threat and usually have Americans as the particular target group. In the past, Public Announcements have been issued to deal with short-term coups, bomb threats to airlines, violence by terrorists, and anniversary dates of specific terrorist events.

While in a slightly different format, Australia's DFAT issues essentially the same information as the US State Department, though it is interesting to note that at any one time some destinations may appear on one warning list but not another.



## **Philippine Rebel**

Philippine terrorism has disturbed the country for at least three decades and has been carried out by different parties with different agendas. Some are the work of individuals and armed gangs to extort money and settle disputes, others are carried out by extremist groups. These include the communist New People's Army, Abu Sayyaf and splinter groups from the Muslim separatist organizations, some are believed to have links with international terrorist groups including Jemaah Islamiah (Foreign & Commonwealth Office, 2003).

### **Travel Advisories**

Due to the continuous threat of kidnappings, bombings and other violent incidents, many countries, including Korea, Canada, New Zealand, the UK and the US, have advised their citizens to avoid travelling to the southern Philippines where insurgent groups are active. Australia, the European Union and Canada have even closed their embassies in Manila temporarily because of terrorist threats.

### **Tourism Statistics**

During three years of political unrest, international visitor arrivals have declined steadily in the Philippines. In 2000, total visitor arrivals were 1.99 million, a drop of 8.2% compared with 2.17 million in 1999. In 2001, the number of visitors dropped further to 1.80 million which was 9.8% fewer than 2000. In terms of international tourism receipts, they have plummeted by 15.7% and 19.3% (2001) (Travel Industry Pub, 2002). The decline was due to a downturn in visits from the biggest markets, the US and Japan. Kidnappings and worries about air security after September 11 were the main causes.

Although a decline continued in the first four months of 2002 (except February which had a modest 3.7% rise), the situation was much improved in the remaining year despite travel advisories from several nations. Arrivals in May, June and July grew more than 10% year-on-year. August and September arrivals were up 5.7% and 15.2% respectively (Anonymous, 2002a). More visitors visited the Philippines in October despite a series of bomb attacks. Visitor arrivals posted a 36.7% growth compared to October 2001 (Anonymous, 2002b). The positive growth during these six months was the first in four years.

### **Hotel Industry**

A week after the first mass kidnapping in April 2000, tour agents and hotels started receiving cancellations. The same happened after the Mindanao crisis. Although security was stepped up at



visitor spots, resort managers reported a slew of cancellations. El Nido resort in northern Palawan had about a 15% cancellation rate (Hookway, 2001). Dos Palmas Island Resort, where Abu Sayyaf abducted 20 people in May 2001, had been closed since then for almost one year.

### **Marketing Campaigns**

The tourism industry is one of the flagship industries under Philippine President Gloria Macapagal-Arroyo. A series of marketing campaigns has been launched in order to attract more visitors to the Philippines.

Due to the instability and travel advisories focusing on the southern Philippines, President Arroyo has outlined a viable strategy to transform North Philippines and Aurora province into the country's next premier investment and tourism destinations. A marketing campaign labelled "WOW Philippines!" has been launched by the DOT. WOW is the master acronym for Wealth of Wonders which reflects the country's diverse offerings in tourism attractions (Department of Tourism, n.d.). The tourism promotions blitz covers three continents, including North America, Asia and Europe. Tourism Secretary Richard Gordon led a strong Philippine contingent with no less than fifty companies participating, in each leg of the road shows. The group comprised local government officials, travel trade and major supporters such as Philippine Airlines, Singapore and WG&A Super Ferry. The road shows and sales missions aimed to intensify marketing efforts for the country's major target markets and, in particular, to launch "Visit Philippines 2003", which was fully endorsed by the World Tourism Organization (UNWTO) (Paez, n.d.). With its target of drawing three million visitors, VPY 2003 seeks to promote the Philippines as a unique and multifaceted business and travel destination. It also aims to instil in every Filipino a sense of pride towards the country and its people (Umali, n.d.).

Performance of the Philippine tourism industry has improved significantly since 2002 despite travel advisories from various countries and the continuous threat of terrorism. One reason for the success is that President Arroyo has been addressing the terrorist threat in the Philippines. Another critical reason lies in the aggressive tourism marketing and promotions to fuel tourism growth. It shows that in spite of the extent of crisis, visitor confidence can be rebuilt by the effort of the government in addressing the problem and by an effective marketing campaign.

### **Enhancement of Security**

After the kidnapping by Abu Sayyaf in May 2001, police have bolstered security around popular resorts as part of Manila's effort to rid the archipelago of its image as an unsafe visitor destination. Tourism Secretary Richard Gordon also pledged to deploy an extra 1,000 police officers at key visitor spots (Coleman, 2002). In the wake of the Korean diplomat's killing in June 2002, police set up a special force of 1,700 men to protect embassies and other key foreign establishments in Manila (Madhur, 2002). Both private and public sectors in the Philippines undertook heightened security measures to protect visitors. For example, Dos Palmas Island Resort, where a mass kidnapping happened in May 2001, added security nets to control sea access to the resort. The Philippines government also expanded security measures in major airports and seaports to assure the safety of foreigners in the country.

### **Government Policy and Actions against Terrorist Group**

The Philippine government policy towards abduction is that there will be no negotiation for any kind of ransom. However, the government has allowed the payment of ransom from members of hostages' families.

There has been constant military pressure on Abu Sayyaf since August 2000. In September, President Estrada ordered the Armed Forces of the Philippines (AFP) to commit over 1,500 troops into Jolo to conduct operations against Abu Sayyaf units that had taken foreign hostages in Malaysia. In the following year, President Arroyo ordered the AFP to deploy as many as 4,500 troops into Basilan after the hostage-taking on Palawan. The government also offered a \$2 million



bounty for any information leading to the capture of Abu Sayyaf leaders and followers involved in the kidnapping (Hookway, 2001). AFP operations have apparently reduced Abu Sayyaf strength from the level of over 1000 in early 2000 to below 100 on Basilan and 500 on Jolo by December 2001 (Niksich, 2003).

### **US Involvement in Combating Terrorism**

Beginning in October 2001, The United States sent groups of military observers to Mindanao to assess AFP operations against Abu Sayyaf, render advice and examine AFP equipment needs. President Bush extended \$93 million aid to the Philippines when President Arroyo visited Washington in 2001. However, President Arroyo insisted that the US military role should be advisory and that the AFP would retain full operational responsibility. By late December 2001, the AFP on Mindanao began to receive quantities of US military equipment (Niksich, 2003). Although terrorism remained active afterwards, President Arroyo reiterated that US troops would not be allowed to fight Muslim rebels in the southern Philippines (Anonymous, 2003).

*(Source: Based upon material provided by the Hong Kong Polytechnic University)*

Government travel advisories are clearly attaining a higher profile in the decision making of travellers and travel professionals on the suitability of tourism destinations. Consequently, there is a growing need to ensure that the information and warnings are credible, responsible, and based on a sober assessment of security risks, and that they are as free of political or cultural considerations as possible.

From early 2003 the Australian travel industry sought and undertook a greater dialogue with DFAT to ensure that the tourism industry's perspective was given due consideration in the formulation of advisories. DFAT, to its credit, was responsive to tourism industry overtures. As a result of extended negotiations conducted by representatives of Australian travel industry companies and associations under the auspices of Australian Federation of Travel Agents (AFTA), the Australian travel industry and DFAT (2003b) released the Charter for Safe Travel in June 2003.



### **Charter for Safe Travel**

The Charter commits the Australian travel industry to disseminate Australian government travel advisories to travellers but it also commits the Australian government to maintaining a consultative dialogue with the travel industry and to include travel agents, airlines and tour operators as credible sources in determining the safety of destinations. The Australian Charter for Safe Travel is a model that tourism industries of many countries can adapt. It has the potential to be a precursor to the travel industry playing a global role in helping all governments determine travel advisories. Participating partners receive a certificate representing their commitment to the Charter's principles.

*(Source: Courtesy of the Department of Foreign Affairs and Trade, Australia)*



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## APPENDIX A: GLOSSARY OF TERMS

The following definitions used throughout the guide are from AS/NZS 4360:2004 Risk Management, and Emergency Management Australia's Emergency Risk Management Applications Guide, Second Edition, 2004.

### **Community**

A group of people with a commonality of association and generally defined by location, shared experience, or function.

### **Consequences**

Outcome or impact of an event.

### **Control**

An existing process, policy device, practice or other action that acts to minimize negative risk to enhance positive opportunities.

### **Elements at Risk**

The population, buildings and civil engineering works, economic activities, public services and infrastructure etc, exposed to sources of risk.

### **Emergency**

An event, actual or imminent, which endangers or threatens to endanger life, property or the environment, and which requires a significant and coordinated response.

### **Emergency risk management**

A systematic process that produces a range of measures contributing to the well-being of communities and the environment.

### **Environment**

Conditions or influences comprising built, physical and social elements which surround or interact with the community.

### **Hazard**

A source of potential harm.

### **Lifeline**

A system or network that provides services on which the well-being of the community depends.

### **Likelihood**

Used as a general description of the probability or frequency.

### **Monitor**

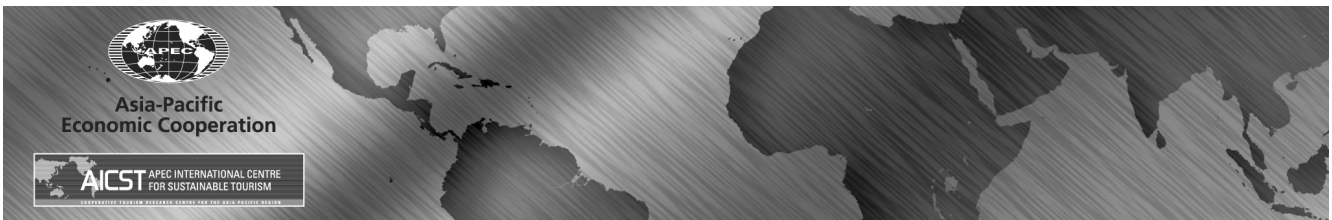
To check, supervise, observe critically, or record the progress of an activity, action or system on a regular basis in order to identify change from the performance level required or expected.

### **Preparedness**

Arrangements to ensure that, should an emergency occur, all those resources and services which are needed to cope with the effects can be efficiently mobilized and deployed.

### **Prevention**

Regulatory and physical measures to ensure that emergencies are eliminated or their effects mitigated.

**Recovery**

The coordinated process of supporting emergency-affected communities in the reconstruction of the physical infrastructure and restoration of emotional, social, economic and physical well-being.

**Residual risk**

The risk remaining after implementation of risk treatment.

**Response**

Actions taken in anticipation of, during and immediately after, an emergency to ensure its effects are minimized and that people affected are given immediate relief and support.

**Risk**

The chance of something happening that will have an impact upon objectives.

**Risk analysis**

Systematic process to understand the nature of and reduce the level of risk.

**Risk assessment**

The overall process used of risk identification, risk analysis, and risk evaluation.

**Risk evaluation**

Process of comparing the level of risk against risk criteria.

**Risk criteria**

Terms of reference by which the significance of risk is assessed.

**Risk management**

The culture, processes and structures that are directed towards realizing potential opportunities whilst managing adverse effects.

**Risk management process**

The systematic application of management policies, procedures and practices to the tasks of communicating, establishing the context, identifying, analysing, evaluating, treating, monitoring and reviewing risk.

**Risk register**

A listing of risk statements describing sources of risk and elements at risk with assigned consequences, likelihoods and levels of risk.

**Risk treatment**

Process of selection and implementation of measures to modify risk.

**Risk treatment options**

Measures which modify the characteristics of hazards, communities or environments.

**Sources of risk**

Sources of potential harm.

**Stakeholders**

Those people and organizations who may affect, be affected by or perceive themselves to be affected by, a decision, activity or risk.

**Susceptibility**

The potential to be affected by loss.





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Prepared by the APEC International Centre for Sustainable Tourism  
PO Box 1430, Toowong, Queensland, Australia 4066 Email: [info@aicst.org](mailto:info@aicst.org)

For the Asia-Pacific Economic Cooperation Secretariat, 35 Heng Mui Keng Terrace Singapore 119616  
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